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Further on Jakarta Conference on Cambodia

Article Previews Talks

BK2602021190 Bangkok BANGKOK POST in English 26 Feb 90 p 4

[Article by Anurat Maniphan in Jakarta: "Breaking the Impasse"]

[Text] A new effort for peace in Cambodia begins in Jakarta today amid fear of more hard bargaining by the warring Cambodian factions despite the optimism generated by talks between two key leaders last Wednesday in Bangkok.

Ten nations—the six ASEAN states, Vietnam, Laos, France and Australia—join the three Cambodian resistance factions loyal to Prince Norodom Sihanouk, Son Sann, and the Khmer Rouge and Phnom Penh Prime Minister Hun Sen in the Informal Meeting on Cambodia (IMC) continuing through Wednesday.

Held under the aegis of the Paris Confernce on Cambodia, the IMC is tackling the most difficult issue of the problem that made for the impasse of last August's efforts—the question of an interim authority.

At the centre of discussions will be the post-Paris initiative to break the deadlock—the Australian plan for United Nations involvement in an interim administration which inspired recent consultations by the five permanent members of the UN Security Council.

A communique signed last Wednesday by Prince Sihanouk and Phnom Penh Prime Minister Hun Sen raised hope that essential elements of the new peace initiative were being taken up.

According to the document, they agreed on the "principles" that a UN presence at appropriate levels and a "supreme national body in order to symbolise Cambodia's national sovereignty and national unity" were "essential" to a settlement.

But informed sources maintained that the prince and Mr Hun Sen remain far apart over the role of the UN and the modalities for setting up an interim authority, its functions or the way power is to be shared among the Cambodian factions.

The prince apparently argued for UN involvement at various levels of the administration while Mr Hun Sen called for the UN to be empowered only with organising general elections, similar to the formula for Namibia where the government in place continued to function.

The prince at the same time insisted on the simultaneous dismantling of both existing governments in order to set up a quadripartite authority, which he agreed could be called a supreme national body but should act like a government.

Mr Hun Sen refused to dismantle the Phnom Penh government which has been in power since the Khmer Rouge were toppled by a Vietnamese-led putsch in January 1979.

"The Phnom Penh government will surely not commit suicide through the dissolution of this government," he told reporters on returning to Phnom Penh from talks with the prince.

He maintained that both the Phnom Penh and resistance governments should continue to function until the completion of general elections.

During the talks he also made clear that he wanted power to be shared between the two governments, rather than between four factions, with the three resistance groups sharing one half and Phnom Penh alloted the other half.

Prince Sihanouk met representatives from the other two resistance factions—Khieu Samphan of the Khmer Rouge and Mr Son Soubert of the Khmer People's National Liberation Front (KPNLF) after meeting Mr Hun Sen.

Although these two factions may join Prince Sihanouk and Mr Hun Sen in agreement on the two "principles", it remains to be seen whether the wide divergences emerging from last Wednesday's talks in Bangkok will be bridged or stretched even further when details are brought to the fore in Jakarta.

Besides the UN role, the follow-up issue of its relationship with a supreme national body comprising Cambodians will be discussed at the IMC, sources noted.

The resistance, with "liberated areas" only in western Cambodia as of recent months, are expected to follow the prince's lead and push for a maximum UN role.

Phnom Penh, which controls most parts of the country and last Friday retook the strategic northwestern town of Svay Chek, is expected to stick to its stand for UN involvement only in organising elections, which amounts to a minimum role for the global body.

The Australian plan calls for a special UN task force on Cambodia headed by a representative of UN Secretary General Javier Perez de Cuellar to be based in that country during the interim period, according to a summary document.

The task force would have three branches in charge of administration, elections and ensuring cease-fire and supervision of any agreement reached between Cambodian factions.

For administration, the plan proposes either total takeover by UN officials or the setting up of structures that would work either in parallel with or under the existing governments.

Australia is also for the Cambodian seat at the UN, now held by the resistance, to be declared vacant or turned over to the proposed supreme national council.

The resistance groups are more or less favourable to the Australian plan—with the Khmer Rouge apparently holding most reservations—provided there is simultateous dismantling of the two existing governments, sources noted.

But the call for a vacant seat is simply "not negotiable" and the prince made clear that Mr Hun Sen's government could only sit at the UN with the resistance, as part of a quadripartite body, they added.

The Australian plan, the nucleus of which emerged in November, sparked a new wave of diplomatic efforts culminating in the two rounds of consultations in mid January and February by the five permanent members of the UNSC [UN Security Council].

The IMC marks a revival of the regional peacemaking effort and its consideration of the plan will be crucial as the views of concerned Cambodians will determine the feasibility of its suggestions for dealing with the heart of the Cambodian problem, the impasse on interim administration.

Australian Foreign Minister Gareth Evans said on arriving in Jakarta on Saturday that he hoped the discussions would result in "a significant step forward."

While all concerned would hope for such an event, there were fears that wide and deep differences among rival Cambodian factions would hold back substantive progress and decisions may again be left to the battlefield.

The retaking of Svay Chek from the KPNLF by Phnom Penh's forces on Friday was seen as a timely reminder of the alternative.

Prince Sihanouk, who returned to Cambodia last Friday to quash criticism of his 11-year absence from the country, will not attend the IMC. He reportedly has appointed Mr Son Sann, president of the KPNLF and prime minister of the resistance coalition, as his representative.

His son Prince Norodom Ranariddh will head the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] delegation and Mr Khieu Samphan will lead the Khmer Rouge.

VODK Cites Khieu's Statement

BK2702030490 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 26 Feb 90

[Statement of Khieu Samphan, Cambodian vice president in charge of foreign affairs, upon arriving at Jakarta Airport on 25 February—read by announcer]

[Text] 1. I am very happy to be once again in Jakarta, the beautiful and charming capital of the Republic of Indonesia. I would like to take this opportunity to again express profound gratitude to His Excellency President Suharto and the friendly people and Government of the Republic of Indonesia for their valuable support to the Cambodian people's just struggle for independence, freedom, and national survival.

I would also like to express profound thanks to His Excellency Foreign Minister Ali Alatas for his tireless efforts to achieve a comprehensive, definitive, and just political solution to the Cambodian problem.

2. As victims of Vietnam's act of aggression and occupation, we want to solve this tragic problem politically and quickly more than anyone else to restore genuine peace in Cambodia with its independence and territorial integrity.

3. Samdech Norodom Sihanouk has put forward a five-point peace plan which does not demand anything belonging to Vietnam, not even any war compensation. It only asks for a verified withdrawal from Cambodia of all types of Vietnamese forces; it accepts an equal footing within the framework of a four-party provisional government among nationalists and those who have collaborated with aggressors and invaders; and it grants the United Nations a decisive role in ensuring the entire peace process from the beginning to the end.

4. The outcome of this meeting in Jakarta depends entirely on the SRV.

Alatas Interviewed on Meeting

BK2602015690 Jakarta Domestic Service in Indonesian 0000 GMT 26 Feb 90

[Interview with Indonesian Foreign Minister Ali Alatas by station correspondent Suratmo, in Jakarta, date not given—recorded]

[Text] [Suratmo] Mr. Minister, people still use the term Jakarta informal meeting [JIM] while in fact it is an informal meeting on Cambodia. Please clarify this.

[Alatas] I have actually tried to clarify this issue several times before. It has the following background: the first and second JIM in 1988 and 1989 respectively constituted an informal meeting solely initiated by Indonesia and supported by ASEAN. The two meetings with all their resolutions were then incorporated into a larger and more formal meeting, namely the Paris conference, in which Indonesia and France were co-chairmen. Now that a more formal meeting with a larger membership has been held, it would be considered a setback if we return to the format of the earlier Jakarta meetings because those two meetings led to something bigger. Any further efforts should therefore be based in the context of the Paris conference. Therefore, what is going to be held in Jakarta now is no longer a continuation of the first and second JIM, but an informal meeting based on the framework of the Paris conference.

[Suratmo] It was reported that the upcoming meeting will specifically discuss the Australian proposal. Your comments, please?

[Alatas] It is true that all participants of the meeting have agreed to discuss the Australian proposal in detail, but the proposal is not the only topic for discussion. Our approach continues to be a comprehensive [preceding word in English] one and each participant is free to raise any issue considered to be important. However, an approach using the Australian proposal as the basis of discussion will also cover all issues. In fact, there is no need to contrast one issue against the other. If we begin the discussion with the Australian proposal as the basis of discussion, we will automatically discuss other aspects of the problem in the framework of seeking a comprehensive solution.

[Suratmo] As host, what does Indonesia hope to achieve in the coming meeting?

[Alatas] I have said on several occasions that this meeting has fairly realistic and simple objectives. So we have no ambitious goals. We have seen the emergence of

new ideas toward a comprehensive solution. A new situation has also emerged and gives us hope for the revival of the negotiating process, which has been temporarily halted since the Paris conference. Therefore, the main objective of this informal meeting is to see if there are possibilities to make further progress toward a comprehensive solution by paying attention to and utilizing the new situation or proposals. In other words, it will be an exploratory meeting. It can also be called a preliminary meeting before we resume another Paris conference.

Phnom Penh Radio Reports on Opening

BK2702061890 Phnom Penh Domestic Service in Cambodian 0430 GMT 27 Feb 90

[Text] According to a representative of the Cambodian news agency SPK, the informal meeting on Cambodia opened in the afternoon of 26 February, yesterday, in Jakarta with the participation of the four Cambodian parties, Vietnam, Laos, ASEAN's six members, French Foreign Minister Roland Dumas, Australian Foreign Minister Gareth Evans, and Rafuddin Ahmed, special representative of the UN secretary general.

Opening the informal meeting on Cambodia, Indonesian Foreign Minister Ali Alatas, also cochairman of the Paris conference on Cambodia, said while fighting in Cambodia is intensifying following the unilateral withdrawal of Vietnamese troops from Cambodia, various efforts to reconvene the Paris conference at an appropriate time were not very successful. He added, despite this, a number of developments took place and a new proposal also emerged allowing the reactivation of the negotiation process with a promising view of a solution.

Ali Alatas described these developments, such as the proposal of Thai Prime Minister Chatchai Chunhawan on convening a conference in Jakarta among Cambodian parties and concerned countries in the region, a meeting which he said is informal in character but still within the framework of the Paris conference; Australia's proposal aimed at overcoming the impasse over the establishment of an interim administration in Cambodia; the intensification of efforts and the encouraging results of the high-level meeting of the five members of the UN Security Council; and the mutual understanding recently achieved among Comrade Chairman Hun Sen and Samdech Sihanouk during the meeting in Bangkok on 21 February concerning the presence of the United Nations at an appropriate level in Cambodia and the establishment of a supreme national council to symbolize Cambodia's national sovereignty and unity.

Ali Alatas believed that in order to revive the talks at this juncture, there would be an improved chance of making further progress toward a comprehensive solution.

Concerning the purposes of this informal meeting, he said that they are indeed modest and realistic. The meeting will strive to make further progress in elaborating some of the more detailed aspects of an enhanced UN role in Cambodia using Australia's proposal as the basis of the discussion. He stressed that through efforts to elaborate the more detailed aspects of the Australian proposal, the informal meeting will not be moving away from the comprehensive approach agreed upon at the Paris conference. On the contrary, the vast context of the discussion of the Australian proposal will encompass all the crucial elements agreed upon in Paris. In other words, there should be some mutual understanding on a solution, for example on the modalities for a cease-fire and combined measures; the supervision, mandate, and principles for an effective international control mechanism; the end and nonrecurrence of all foreign intervention and supply of weapons from outside; the prevention of the recurrence of the genocidal policies and practices; the repatriation of refugees; the construction of Cambodia; and so on.

The next speaker was Rafuddin Ahmed who quoted the UN secretary general, stressing that there can bo no military solution to the Cambodian conflict and that there is no other alternative to a negotiated settlement based on mutual accomodation.

The meeting was adjourned for a working dinner and resumed afterward with speeches by French Foreign Minister Roland Dumas and Australia's Gareth Evans; the latter was received by Comrade Chairman Hun Sen for about half an hour upon the comrade's arrival in Jakarta.

After the closing of the 26 February session, Comrade Chairman Hun Sen also met with Roland Dumas.

Hanoi Radio Reports on Opening

BK2702140490 Hanoi International Service in English 1000 GMT 27 Feb 90

[Text] The informal meeting on Cambodia opened in Jakarta on Tuesday [27 February] with the participation of delegations from Vietnam, Laos, the ASEAN countries, Australia, France, and Cambodian groups.

In his opening speech, Indonesian Foreign Minister Ali Alatas welcomed the fact that all parties concerned accepted the Australian proposal calling on the United Nations to set up a provisional government in Cambodia before the general elections. The Indonesian foreign minister continued that there are still differences between concerned parties on (?further details) but affirmed that the situation in Cambodia (?does not allow) another failure at the negotiating table.

The French and Australian foreign ministers and Cambodian delegations had spoken on the first day of the meeting. The Vietnamese foreign minister said that the Australian plan is the foundation for the negotiations, and Vietnam accepts the opinion on the UN role in the transitional period as Supreme National Council. The Vietnamese foreign minister also rejected the allegation that Vietnamese troops have returned to Cambodia.

Alatas, Dumas Speeches Cited

BK2702013790 Bangkok BANGKOK POST in English 27 Feb 90 p 4

[By Anurat Maniphan in Jakarta]

[Text] Jakarta—Indonesia and France, in speeches opening the IMC [Informal Meeting on Cambodia] yesterday, paid tribute to Prime Minister Chatchai Chunhawan for his part in peace efforts for Cambodia.

Indonesian Foreign Minister Ali Alatas noted that General [Gen.] Chatchai was first to propose an informal meeting of regional countries within the framework of the Paris conference.

Alatas also noted that the bilateral talks in Bangkok on February 21 between Prince Norodom Sihanouk and Phnom Penh Premier Hun Sen were the most recent development.

French Foreign Minister Roland Dumas, who co-chairs the Paris conference with Alatas, voiced appreciation for Gen. Chatchai's "initiative" as presented during his official visit to France after the conference.

Both ministers also paid tribute to the efforts of Australia and the five permanent members of the United Nations Security Council.

Dumas said France noted the "merits" of a proposal put forward by Canada.

He said these efforts had led the permanent Security Council members to further apply themselves to work for a settlement of the conflict.

Mandated by the five, as a member of the group, he presented the conclusions of their two consultations in Paris and New York.

He noted that there was a "very strong" consensus on a UN role during the interim period. They agreed that the UN should play a military, peace-keeping role as well as participate in civil administration, with the purpose of organising and supervising elections "in a climate of political neutrality where no faction would have advantage over others."

He said the five were in favour of a supreme national council which would be "the repository of Cambodia's sovereignty" after delegating executive functions to the UN administration.

Dumas expressed hope that the IMC could take recent developments, during talks between Sihanouk and Hun Sen, further forward.

The IMC should "enable a confirmation of the principles agreed by the five and an examination of the concrete modalities of a settlement."

He noted in particular the "fundamental questions" of ceasefire, disarmament of the Cambodian factions, the composition and role of the supreme national council and the electoral process.

He said France would continue to play a mediating role among the Cambodian factions. France would be ready when the time comes to reconvene the Paris conference, he added.

He also called on the Cambodians "not to reactivate the quarrels that led to the impasse of the first Paris conference and to work for the realisation of an agreement acceptable to all."

Alatas noted that there had been "no explicit rejection" of the Australian proposal by "the parties directly involved." He welcomed the setting up of the special task force on Cambodia by the UN Secretary General Javier Perez de Cuellar on February 12.

But he noted that "wide divergences" remained on the modalities, forms and degree in which UN involvement is to be implemented.

He stressed that the IMC was not diverging from a comprehensive approach by examining the Australian proposal. The discussions will touch on all other crucial elements to a comprehensive package, he said.

He described these as ceasefire, an international control mechanism, cessation and non-recurrence of foreign intervention and arms supplies, prevention of recurrence of genocidal policies and practice, return of refugees and reconstruction of Cambodia.

He pointed out that the "intermediate objective" was free and fair elections so that people could choose their own political and economic systems as well as leaders in government.

The "ultimate objective" was for a sovereign, independent, peaceful, neutral and non-aligned Cambodia whose independence and neutrality were internationally endorsed and guaranteed.

The UN secretary general's special representative, Rafeeuddin Ahmed, while addressing the opening of the IMC, passed on the secretary general's emphasis that any mandate entrusted to the UN must be "well-defined, realistic and practicable."

"The organisation must be ensured in a timely manner of the resources necessary for its effective implementation," he added.

He further noted that any UN involvement in a settlement process required the approval of the Security Council, agreement of all parties concerned "and an unequivocal commitment on their part to extend full cooperation."

The three opening addresses were followed by a working dinner and closed session at which Australia was to introduce its peace plan and to explain it.

Other delegates will speak in more closed sessions this morning. ASEAN will not give a joint statement, but Foreign Minister Sitthi Sawetsila is preparing to speak, a senior delegate said.

ACM [Air Chief Marshal] Sitthi may be asked to speak about the Sihanouk-Hun Sen meeting, as he was asked to do during a meeting of ASEAN foreign ministers yesterday afternoon.

ASEAN sources said they were briefed on procedural matters related to the IMC by Alatas and reached concensus on priorities for the discussions, namely the role of the UN, the supreme national council and the relationship between them, and how to ensure free and fair elections.

Evans Meets With Khieu Samphan

BK2702012790 Bangkok THE NATION in English 27 Feb 90 pp 1, 2

[By Kawi Chongkitthawon in Jakarta]

[Text] Australian Foreign Minister Gareth Evans yesterday urged the Khmer Rouge to enter into discussions now on the settlement of the Cambodian conflict if it did not want to be left out of the peace process, an informed source said.

Evans reportedly stressed this point during a one-hour meeting with Khmer Rouge leader Khieu Samphan.

Evans pointed out that under the Australian peace proposal for Cambodia, everybody would have a fair chance for power through free elections overseen by the United Nations, the source said.

Evans is backing the Australian peace proposal, which calls for interim UN administration of Cambodia before general elections, at the Informal Meeting on Cambodia now underway in Jakarta. The Feb 26-28 meeting is being attended by the ASEAN countries, Laos, Vietnam, France and Australia, as well as by the four Cambodian factions.

The source said Khieu Samphan asked a lot of questions about the Australian proposal and the intentions of Hanoi and Phnom Penh in allowing UN verification of last September's troop withdrawal by Vietnam.

Evans reiterated that Canberra wanted to see an agreement in principle among the Cambodian parties on a UN role, the source said.

The source quoted Evans as saying that failure to address the proposal by the Khmer Rouge would not be "easily understood" by the international community.

The meeting was called by Khieu Samphan immediately after he arrived in Jakarta on Sunday.

Evans also held a separate meeting with Phnom Penh Premier Hun Sen to outline the general ideas of the Australian proposal.

Participants in the Cambodian peace talks last night called for an agreement on an enhanced UN role in Cambodia to be reached by making use of a favourable international environment and conciliatory gestures recently made by the Cambodian factions.

In the meeting's opening speech, Indonesian Foreign Minister Ali Alatas said that since the Paris conference on Cambodia ended last September rapid developments in the world have provided "an improved prospect for progress towards a solution.

He mentioned as positive developments Thai Prime Minister Chatchai Chunhawan's proposal for a meeting of the Cambodian parties, the Australian proposal, resolutions by the United Nations Security Council and the meeting between Hun Sen and Prince Norodom Sihanouk in Bangkok last week.

Alatas pointed out that so far none of the Cambodian factions has rejected eventual involvement by the United Nations in a peace settlement.

He said the three-day meeting should discuss in detail the UN role in administering Cambodia.

The Australian proposal can be used as a basis of discussion in an effort to bridge the divergent positions of the parties concerned, he said.

Alatas, who chaired the meeting with French Foreign Minister Roland Dumas, said that the Jakarta peace talks are a preparatory meeting for a reconvened Paris conference whenever it is feasible.

Alatas called on the Southeast Asian nations to end the 11-year conflict by summoning "collective capacity and political will."

"...we in Southeast Asia cannot and should not remain mired in continuing strife and mutual hostilities," he said.

In defending the Australian proposal Gareth Evans said Australia has no intention "to usurp the prerogatives of the UN."

He said Australia wants to act as a "map maker" to guide the negotiations to achieve the peaceful settlement. Australia is attending the Jakarta talks as a resource delegation to explain its peace proposal.

Evans said the Australian plan seeks to show that there is a practical and realistic way to settle the conflict in Cambodia that will not damage any party's interest.

To ensure a settlement, Evans said, three important "environments" must be created by the various parties. First, preparations must be made to ensure that the UN can organize and monitor free and fair elections.

Secondly, Evans said, there should be measures related to military security that will allow Cambodians to go to the polls without fear of intimidation.

Finally there must be a civil administration that will not give any political party an advantage. The administration should ensure that the normal service of government continued, especially in health care and education, Evans said.

He said if participants accept the UN involvement in the civil administration in Cambodia it would comprise a "breakthrough."

Rafuddin Ahmed, a special envoy of UN Secretary-General Javier Perez de Cuellar, said in his opening speech that the secretary-general would look favourably upon a call for UN involvement in the peace process.

But he said any mandate calling for UN involvement must be well defined, realistic and practicable and the UN must be assured of the resources necessary for effective implementation.

The special envoy said UN participation would require the dispatch of fact-finding missions to Cambodia to gather relevant information as soon as possible.

Melbourne Radio on Australia Plan

BK2702072490 Melbourne Overseas Service in English 0600 GMT 27 Feb 90

[From the "International Report" program]

[Text] The Australian foreign minister, Senator Gareth Evans, says Australia had to share some of the responsibility for bringing about the conditions which caused war in Cambodia. Speaking at the latest round of peace talks

in Jakarta, Senator Evans said that Australia had indirectly and unwittingly helped to create the tragedy in Cambodia. Graeme Dobell reports from the Indonesian capital that Australia's plan to bring peace to Cambodia has a range of options for a United Nations Interim Administration and sets out a timetable for peace.

[Begin recording] The Australian initiative is today out of Australian hands. The process is now being run by the four warring factions gathered here with much of the direction coming from the meeting cochairman, Indonesia's foreign minister, Mr. Alatas.

But Foreign Minister Gareth Evans gave all the push he could. In his opening statement, Senator Evans sought to explain why Australia had put so much effort into breaking the diplomatic logjam. While the war continued, he said, refugee outflows confronted the region with major moral and economic problems, and Australia, he said, had indirectly and unwittingly helped create the conditions for the Cambodian tragedy.

The foreign minister spoke also of how 20 years ago he had hiked through Cambodia with a knapsack on his back. It was, he remembered, a beautiful and tranquil country. With all this in mind, Senator Evans said, Australia had set out to draw a map of how peace could be achieved by putting the United Nations in control of Cambodia. The map is also called The Red Book—150 pages inside a red cover giving detail of all the options for a UN administration, a UN-run election, and a peacekeeping force.

Supplementary Paper C in the Red Book sets out a peace timetable. Optimistically it calls for a voluntary cease-fire by next month, and then the formal reconvening of the Paris peace conference in April or May. With a comprehensive agreement in Paris, a formal cease-fire would take effect. By July, the powers to govern Cambodia would be passed to the UN secretary general. A supreme national council would be formed in Cambodia, drawing on the leaders of all four factions—but that they would be acting as individuals. This council would be a symbolic body; all real power would be with the United Nations.

From July through to December, according to the Australian timetable, United Nations civilian and military personnel would be streaming into Cambodia. Voter registration would begin in November, and elections would be held in early April next year. Then a constitutional assembly and finally a new Cambodian government by September next year as the United Nations began to withdraw.

The Red Book sets out three cost options for the plan. The high cost option calls for 9,000 peacekeeping troops and more than 22,000 officials to conduct the elections. Over 12 months, it would cost U.S.$21 billion.

The mid-range plan—clearly the one Australia prefers—calls for 5,500 troops and 2,000 election officials. It has a price tag of just under U.S.$1 billion. The lowest cost plan with only 2,500 troops would cost less than U.S.$700 million.

Whichever scenario is chosen, the document assumes that all the Cambodian factions will abide by the cease-fire and will disarm.

In his meeting with Khieu Samphan, Senator Evans said the Khmer Rouge was virtually standing alone in not committing itself to the UN idea. By contrast, Prime Minister Hun Sen told Senator Evans that his government in Phnom Penh supported the three main elements of the plan.

Yes, he said, the United Nations would organize, not just monitor, free elections; yes, the United Nations would control the cease-fire; and yes, in principle, said Hun Sen, the United Nations would have a role in government. The actual form and size of that civil administration is a big question because, of course, it is Prime Minister Hun Sen who will be handing over government control.

Today, the real bargaining is underway. [end recording]

French Foreign Minister Departs

BK2702040090 Hong Kong AFP in English 0342 GMT 27 Feb 90

[Text] Jakarta, Feb 27 (AFP)—Delegates began talks behind closed doors Tuesday [27 February] aimed at finding a settlement to the 11-year conflict in Cambodia.

Delegation heads held consultations until late Monday to prepare for Tuesday's talks, which were expected to revolve around an Australian proposal for a major U.N. role in a transitional Cambodian government.

The sessions were not attended by French Foreign Minister Roland Dumas, whose country is jointly chairing the talks with Indonesia. Mr. Dumas left for Paris earlier due to "other pressing obligations," his Indonesian counterpart Ali Alatas said. The French delegation was led by Claude Martin, head of the French Foreign Ministry's Asia Department.

The three-day informal meeting on Cambodia groups three Cambodian resistance factions, the Hanoi-backed government in Phnom Penh, Vietnam, Laos, the six Association of Southeast Asian Nations members, France, Australia and a special United Nations envoy.

Australian Foreign Minister Gareth Evans presented the main points of his proposal, which is about 150 pages thick, during the opening session Monday.

Prime Minister Hun Sen of the Hanoi-backed Phnom Penh government, emerging from the session late Monday, said "There are some new issues in a new environment," adding that he intended to make his "position known" Tuesday.

Mr. Alatas said Monday he hoped the parties involved in the Cambodian conflict could at least clarify what they could and could not agree on during the three days of talks.

Alatas Focuses on UN's Role

BK2702123490 Hong Kong AFP in English 1225 GMT 27 Feb 90

[By Michele Cooper]

[Text] Jakarta, Feb 27 (AFP)—Indonesia took the lead here Tuesday [27 February] at informal talks on Cambodia in pushing for a significant United Nations role in the transition to elections in the war-torn country.

Indonesian Foreign Minister Ali Alatas put forward 21 "possible points of common understanding" focusing on the proposed U.N. role and on a supreme national council which would be the interim authority in Cambodia.

The points, appearing in a document obtained by AGENCE FRANCE-PRESSE, avoided the thorny issue of how the warring factions should be represented on the council. The document said the question of representation "should be decided by the Cambodian parties themselves."

It also made no specific mention of the dismantling of the Phnom Penh government or the resistance coalition which holds Cambodia's U.N. seat, except to say that the council should take the seat "at an appropriate time during the transitional period."

The "non-paper," as it was labelled, was the subject of small-group negotiations after a closed plenary session ended mid-afternoon on Tuesday, delegates said.

Analysts said it was unlikely to be adopted in its entirety, but it indicated a regional desire to record some progress in Jakarta so as to give some momentum to the peace process.

An international conference in Paris stalled last August when the Cambodian factions were unable to reach any agreement on power-sharing arrangements.

The Jakarta talks, grouping the Cambodians with their respective regional backers, are intended to pave the way for a resumption of the Paris conference. They were to go into a final day on Wednesday.

Present in Jakarta are France, which co-chaired the Paris meeting with Indonesia, Vietnam, Laos, Australia and Jakarta's partners in the Association of Southeast Asian Nations (ASEAN)—Brunei, Malaysia, the Philippines, Singapore and Thailand.

The Indonesian draft did not mention by name a 150-page working paper circulated by Australia with options for a Cambodian settlement, although it drew some elements from it.

Specifics of the Indonesian draft included entrusting Cambodia's sovereignty during the transitional period to a supreme national council which would "devolve necessary authority" to the U.N. secretary general in civil administration, electoral organization and control and verification.

Phnom Penh Premier Hun Sen and resistance leader Prince Norodom Sihanouk, meeting recently in Bangkok, agreed on the need for such a council but without defining its responsibilities.

The monitoring and verification functions would cover the withdrawal of "all categories of foreign forces, advisors and military personnel and their materiel," the document suggested. It also outlined broad peacekeeping responsibilities.

To be successful, United Nations personnel would require a "clear and precise mandate," which would necessitate sending fact-finding missions to Cambodia as soon as possible, the text said. It stressed that appropriate arrangements should be made to ensure the "non-return to universally condemned policies and practices of a recent past."

The document named no names, but the same phrase has in the past been used to refer to the Khmer Rouge, militarily the strongest of the three resistance factions, whose bloody four-year rule in Cambodia ended when Vietnamese troops ousted them from Phnom Penh in 1979. The other resistance factions back Prince Sihanouk and former Prime Minister Son Sann.

Earlier Tuesday, the Cambodian factions put out what some conference sources described as negotiating feelers, although others said they saw no sign of flexibility on key issues.

Singapore Welcomes UN Involvement

BK2702101790 Jakarta ANTARA in English 0937 GMT 27 Feb 90

[Text] Jakarta, 27 Feb (OANA/ANTARA)—The full involvement of the United Nations (UN) offers the best prospects for ending the bloodshed in Cambodia, foreign minister of the island-republic of Singapore said during the informal meeting on Cambodia (IMC) here Tuesday [27 February].

In a statement delivered in the second day of the Jakarta IMC, a forum aimed at finding solutions to the more than 11 years conflict affecting the South-east Asian nation, Minister Wong Kan Seng further said that Singapore, therefore, welcomed the proposal to set up a UN interim administration to govern Cambodia and to prepare for free elections.

"Singapore has always believed that only the UN has the authority, impartiality and expertise to create conditions that will allow the Cambodian people to exercise their right to self-determination," Minister Wong said.

The Cambodian conflict began when Vietnam invaded Cambodia on 24 December, 1978 to topple the Khmer Rouge regime and establish a new Phnom Penh government. The Khmer Rouge that enjoyed a support from the PRC was often blamed for the deaths of more than one million Cambodians during its four year reign. However, today it is the military backbone of the resistance movement which include the KPNLF [Khmer People's National Liberation Front] and the Sihanoukists.

In his statement, Minister Wong also congratulated Australian Foreign Minister Gareth Evans for producing a comprehensive document setting out the various options for creating a UN interim administration. He also said that the UN should bear the main role of neutralizing the political environment in Cambodia so that free elections could be held without any party enjoying a special "advantage."

However, the minister also conceded that although such a concept had received growing acceptance, many "crucial" details still had to be worked out.

"Therefore, Singapore urges all the conflicting factions in the country to set aside differences and seriously negotiate the creation of a UN interim administration," he said.

The important thing is to give the Cambodian people the opportunity to freely exercise their right of self-determination, Minister Wong said.

The Jakarta IMC, scheduled to last until February 28, is attended by representatives of the four conflicting factions in Cambodia (the Phnom Penh government, the PRC-backed Khmer Rouge, the Khmer People's National Liberation Front-KPNLF, and the Sihanoukists). Aside from them, the delegates of the six ASEAN (Association of South-East Asian Nations) members, Vietnam, Australia, France, Laos, and the United Nations are also present.

Japan

Foreign Minister Holds News Conference 27 Feb

OW2802085090 Tokyo NHK General Television Network in Japanese 1550 GMT 27 Feb 90

[News conference held by Foreign Minister Taro Nakayama at the prime minister's official residence in Tokyo—live]

[Text] [Screen shows Nakayama sitting at a desk facing a group of reporters] [Nakayama] I am Taro Nakayama who has just been appointed foreign minister. I would like to request your support.

[Reporter] My question concerns the northern territories. There have been various reports on the issue. What are the prospects for handling it?

[Nakayama] As you all know, both the House of Representatives and the House of Councillors adopted resolutions on this issue on several occasions. Moreover, it was during the second, or the first, Suzuki administration that the government decided on introducing Northern Territory Day so that our people could reiterate their wishes for the return of the territories to the people both at home and abroad. This practice has been carried on until this year.

As far as the government is concerned, I think we should promote diplomacy so that our people's wishes for the return of the four islands can be fulfilled.

[Reporter] There has been debate over the issue of whether those involved in the Recruit or Lockheed scandals should join the cabinet. Mr. Foreign Minister, what is your view on this issue?

[Nakayma] My understanding is that the prime minister has selected the cabinet members based on his own ideas.

[Reporter] What do you think will be Japan's future role in defusing the tension between East and West?

[Nakayama] Well, thanks to the correct orientation of perestroyka promoted recently in the Soviet Union by President Gorbachev, the Soviet people's better understanding of glasnost, and the promotion of the new thinking in diplomacy, the age of strong confrontation between the United States and the Soviet Union has come to an end, and we have entered an age of dialogue and cooperation. This alleviated tension between East and West is very favorable to the people of the world. Japan, as a member of the international community with economic potential, would like to do its best to contribute to the further defusion of the tension between East and West.

Moreover, I think that Japan should make efforts to bring about a favorable situation for peace in Asia from the changes in Europe. As you know, Japan is making efforts to bring about peace in Cambodia. I hope that our efforts will be understood.

[Reporter] It is said that the prime minister is scheduled to visit the United States. How do you plan to handle the issues concerning the relations between Japan and the United States?

[Nakayama] The relationship between Japan and the United States is the basic and most important issue in Japanese diplomacy. Basic Japanese diplomacy lies in maintaining a favorable relationship between our two nations.

We have between us, though, economic friction based on Japan's trade surplus. Through mutual effort and understanding, we will try to solve the problems brought up at the Japan-U.S. Structural Impediment Initiative talks.

As far as Japanese diplomacy is concerned, it will be necessary to discuss the formation of a new global partnership between Japan and the United States before the 21st century.

[Reporter] Mr. Foreign Minister, will you accompany the prime minister in his visit to the United States?

[Nakayama] The prime minister has requested that I go with him if we get the Diet's approval. The Foreign Ministry is working on obtaining this approval. I will accompany him only if the Diet gives its approval.

[Reporter] My question concerns the northern territories. While East and West are moving toward easing tension, the Soviet Union has also made new moves. As far as Japan is concerned, would Japan aim at demanding the return of the four islands or would Japan consider taking practical measures?

[Nakayama] As far as I am informed, Soviet Foreign Minister Shevardnadze is scheduled to visit Japan this spring. A definite schedule has not been worked out due to the domestic situation in the Soviet Union. During his visit here, we will hold Japanese-Soviet foreign minister consultations. An accord was reached on this plan at the Japanese-Soviet foreign minister talks held in New York last September. If the domestic political situation in the Soviet Union permits, he will visit Japan soon. Taking advantage of this occasion, I would like to carry on positive discussions on this issue.

[Reporter] My question concerns economic aid. How do you plan to deal with [words indistinct] as well as Poland and Hungary? When will the third yen-based loans to China be resumed?

[Nakayama] Concerning economic cooperation with Eastern European nations that have been carrying out democratization and those that have been introducing free market principles while carrying out democratization, I think that Japan should handle issues dealing with Poland and Hungary and other nations by taking into account the accord reached at the conference of 24

nations held not long ago, while observing the situation in each individual country and holding consultations with them.

As for the third yen-based loans to China, or economic cooperation, Japan has repeatedly requested since the Tiananmen incident that China continue to implement its open and reform policies to expand its dialogue with Western nations. Under such circumstances, we should deal with the third yen-based loans for China only when we can confirm the political posture of the Chinese side.

[Unidentified official, interrupting] Well, we would like to ....

[Reporter] My question concerns the No. 18 Fujisan-Maru issue connected with North Korea. Previous foreign ministers have all stated their determination to settle the issue. However, the prospect for settling this issue is still far from certain. How do you plan to tackle this issue?

[Nakayama] As you know, unofficial contacts have been made at various places abroad where Japanese diplomatic establishments are located. And as you have just mentioned, Japan cannot make concessions on the release of Captain Beniko and other crew members who have been detained. Through the International Red Cross, as well as through unofficial contacts at our diplomatic establishments in different countries, we have persistently asked for their return. They have been separated from their family members for over six years now. However, it is most regrettable that so far, we have not been able to have these two persons released.

Nevertheless, under the current changes in the international situation, particularly the changes in the political situation in the communist community, we plan to continue our positive efforts to demand the early release of these two persons.

[Unidentified official] Excuse us, sir. But we would like to continue with the next interview.

[Nakayama] I would like to conclude this news conference with my request for further cooperation from the press.

Interviewed on U.S., USSR, ROK Ties

OW2802120790 Tokyo KYODO in English 1125 GMT 28 Feb 90

[Text] Tokyo, Feb. 28 KYODO—Foreign Minister Taro Nakayama said Wednesday that he plans to visit the United States, South Korea, Indonesia, Iran, Iraq, and Arab oil-producing countries during his second term of office. Although officials later described it as "a personal view," Nakayama also said during an interview with KYODO NEWS SERVICE that South Korean President No Tae-u has set a resolution of outstanding bilateral problems between Tokyo and Seoul as a "precondition" for his visit to Japan.

Nakayama, 65, was retained in his post in the new cabinet formed by Prime Minister Toshiki Kaifu on Wednesday.

Nakayama, who will attend a U.S.-Japan summit meeting on Friday and Saturday in Palm Springs, California, indicated that South Korea will be the next priority on his diplomatic agenda. "South Korea is an important neighbor to Japan and our relationship has a long history," the foreign minister said. But Nakayama indicated that arranging a visit to Seoul before May would require some ingenuity by those managing his schedule as commitments in the Diet are likely to keep him preoccupied. Foreign Ministry officials said they are optimistic that they can circumvent the problem by arranging the trip over a weekend in March or April, before No's visit to Tokyo.

Nakayama also said he wants to visit Indonesia later and meet with his counterpart Ali Alatas for discussions on the Cambodian peace process and other developments of concern to the Association of Southeast Asian Nations (ASEAN). Other countries under consideration are both Iran and Iraq, where Japan has lent a hand in the peace process and pledged reconstruction assistance, as well as other oil-producing Islamic countries, he said.

On the timing of South Korean President No's visit to Japan, Nakayama said his understanding is that No set a "precondition" that certain bilateral problems must first be resolved. Nakayama was referring to issues originating from Japan's long colonial rule of the pensinsula such as namely the future legal status of third-generation Korean residents in Japan, compensation for Korean A-bomb victims, and assistance for Koreans stranded on Soviet-held Sakhalin Island after World War II. Nakayama said that by way of resolving these three issues in working-level and foreign ministerial talks, No's visit would ensure that 1990 becomes the first year of "a new era" of Japan-South Korea ties. The foreign minister's view that No has set a "precondition" for his visit diverges from the official line held by Foreign Ministry bureaucrats, who stress that No merely expressed a desire that his visit serve as an opportunity to put pending issues to rest.

Nakayama said that in order for a breakthough on the issues to be made in now-regular working-level negotiations, the South Korean side must exert more cooperative efforts. An official pointed to "unrealistic expectations" on the South Korean side as the root of the current impasse. "We would like Koreans to understand that not all of their demands can be met immediately," he said.

Turning to North Korea, Nakayama said that in view of the dramatic changes sweeping most of the communist bloc, "Japan would like to see closed communist-controlled countries in Asia move peacefully in the direction of openness." He noted ambiguously that Pyongyang already appears to be moving in a more positive direction judging from the recent activities of its overseas diplomats, but did not elaborate. Officials

noted "minor adjustments" in Pyongyang's diplomatic posture such as its softened stance toward East European countries which have established relations with Seoul. Nakayama said Japanese diplomats are continuing efforts to make unofficial contacts with their North Korean counterparts in third countries to secure the release of two Japanese seamen detained in North Korea.

Nakayama acknowledged that the deteriorating state of Japan-U.S. Economic relations is "worrisome," but added that there is "no room for doubt" that the overall relationship is basically a friendly one. Maintaining those friendly ties with the U.S., which has contributed to Japan's present day prosperity and security, is the most essential task in Japanese foreign policy, he said. On the subject of trade friction, he said, "for the sake of future Japan-U.S. relations, we must come up with a solution that is somewhat bold." But Nakayama said Japan is not prepared to publicly announce what it plans to do in advance of the hurriedly called summit meeting on Friday and Saturday between Prime Minister Kaifu and U.S. President George Bush in California.

"There are two kinds of things—things we can do and things we cannot do," he said on the prospect of Japanese concessions. He added that among the things Japan can do, some require a minimum of time while others require a lot.

Nakayama sounded a hardline on relations with the Soviet Union, saying Moscow's return of four Japanese-claimed island is an "indispensable precondition" for a true normalization of relations. But he said Japan is nevertheless willing to strive to continue and expand efforts aimed at deepening "mutual understanding." He said the future course of bilateral relations will party depend on the outcome of the visit to Japan by Soviet Foreign Minister Eduard Shevardnadze in the near future. Nakayama said that while Shevardnadze may not visit Japan in March owing to his tight domestic political schedule, Japan still expects him to come in the spring. The visit is not likely to be postponed as far as summer, he said.

On Japan-U.S. Summit Meeting

OW2802134190 Tokyo NHK General Television Network in Japanese 1000 GMT 28 Feb 90

[Text] NHK held an interview with Foreign Minister Nakayama on the imminent Japan-U.S. summit meeting. Concerning the Structural Impediments Initiative, the foreign minister said that the Japanese side would convey to the U.S. side Japan's basic view regarding things that Japan can do and cannot do at the summit meeting. Pointing out that Japan-U.S. relations have become complicated, the foreign minister indicated that it has become necessary to hold additional Japan-U.S. talks to be attended by ministers concerning specific subjects as well as existing individual ministerial talks between the two countries. The foreign minister also stated that adjustment of China policy would be brought up as an agenda item at the Japan-U.S. summit meeting. He indicated that Japan would pay attention to the results of the summit meeting from the standpoint of dealing with the resumption of the third yen-based loans to China from 1992, which have been frozen by the government.

New MITI Minister Critical of U.S. on Trade

OW2802094990 Tokyo KYODO in English 0819 GMT 28 Feb 90

[Text] Tokyo, Feb. 28 KYODO—The new minister of international trade and industry [MITI], Kabun Muto, on Wednesday criticized the United States for taking up agricultural problems in bilateral rather than in multilateral discussions.

"I believe that it should be talked about in the Uruguay round of multilateral talks of the Gereral Agreement on Tariffs and Trade (GATT)," he said, stressing the need for "overall, multinational dialogue."

Speaking to the press for the first time after the new Toshiki Kaifu cabinet was installed earlier in the morning, Muto touched upon Japan's farm policy as one of the key international trade issues. He said income difference between large-and smaller-scale farmers in Japan is narrower than that in the U.S., he said, adding any changes which would cause strain among the farmers should not be made. He said he realizes that if Japan maintains its stance, it will be isolated in the face of worldwide agriculture policies.

Japan should expand talks with many countries, including those in Europe, to create a "common position" with those nations, Muto stressed.

As another important trade issue, the new MITI chief pointed to the bilateral trade talks with the U.S., known as the Structural Impediments Initiative (SII). He said his basic attitude toward the talks is "to say what should be said and to listen to what should be listened." Reasonable compromises are needed, he said.

"Japan has made serious efforts to establish its economy as it is now. Nobody in the world denies that. Reasons for criticisms that Japan is now drawing may be that we lack enough explanations for our stance to be understood," he said. "I personally believe sincere communication will be a key to the talks," Muto also said, adding that "a definite attitude, however, should be taken if necessary."

Muto said earlier Wednesday after being chosen as new trade and industry minister that he opposes U.S. trade talk requests to abolish Japan's Large Retail Store Law. Instead of abolishing the law, improving its administration will be enough to enable foreign companies to enter the Japanese retail market, he said at the news conference after the installation of the second Kaifu cabinet.

Explaining about the SII further in a separate meeting with KYODO News Service held later, new MITI chief

Muto said he will encourage dialogues between members of the U.S. Congress and of the Japanese Diet on structural issues. Such dialogues will ease the soaring sentiment in the Congress against Japan and consequently will expand the U.S. understanding of Japan, he said. Muto said he personally feels that Japan seems to be on the defensive in the SII discussions held so far.

"I feel being offensive is always more desirable than being defensive," Muto said, stressing that Japan needs to shift its position. To be able to do so, Japanese ministries and agencies involved in the SII talks should adjust differences between themselves as quick as possible, and he will make efforts toward that end as the new trade minister, he added.

Defense Agency Director on U.S. Troops Costs

OW2802092290 Tokyo KYODO in English 0650 GMT 28 Feb 90

[Text] Tokyo, Feb. 28 KYODO—Newly named Defense Agency chief Yozo Ishikawa indicated Wednesday Japan should pay more of the cost of maintaining U.S. troops stationed in Japan.

Ishikawa told reporters after the first meeting of Prime Minister Toshiki Kaifu's Cabinet that Japan could lose bilateral trust "if we don't respond when we know what they are expecting of us."

The U.S. has urged Japan to pay more than some 40 percent of the 6 billion dollars it costs to maintain its 50,000 American troops.

Touching on Japan's new basic defense policy plan beyond 1991, which his agency is to develop, Ishikawa only said he wishes to project a "moderate" defense policy. He did not elaborate.

Holds News Conference

OW2802122290 Tokyo NHK General Television Network in Japanese 1550 GMT 27 Feb 90

[News conference held by Defense Agency Director General Yozo Ishikawa at the prime minister's official residence in Tokyo—live]

[Text] [Screen shows Yozo Ishikawa sitting at a table facing a group of reporters at the prime minister's official residence]

[Reporter] Would you state your opinions?

[Ishikawa] At this time, when major changes are taking place in the international situation, I have been charged with the great task of defending the nation and preserving the fundamentals of national existence. I feel the gravity of the responsibility. I think that our nation's defense policy is based on the policy of exclusively defensive defense under the peace constitution. I also think that national defense cannot be implemented without the understanding and cooperation of the people. Therefore, I will work hard to further win the understanding of the people about defense policy and, at the same time, I will do everything in my power to build Self-Defense Forces that can be trusted by the people. I would like to ask for your cooperation.

[Reporter] Mr. Director General, this is the same question that I asked the construction minister. There are complaints that you joined the new cabinet despite your involvement in the Recruit and Lockheed scandals. What do you think about those disputes?

[Ishikawa] I think that Prime Minister Kaifu racked his brains, but dealt with the question courageously. I agree with him in that respect.

[Reporter] How will the relaxation of tensions in East-West relations affect Japan's defense policy?

[Ishikawa] Needless to say, the current situation in East-West relations is important and directly related to Japan's defense policy. However, we have to examine thoroughly and coolly whether such relaxation of tension could occur in Asia, taking the situation of Europe and Asia into consideration. As I have just mentioned, I think we have to maintain our defense policy.

[Reporter] The time will soon come to work out the next defense—a buildup plan. How will you deal with that plan in the face of major international changes?

[Ishikawa] As you are aware, the budget request for the last defense buildup plan—the mid-term defense buildup plan—is being submitted to the Diet, and we will have to work out the next defense buildup plan. Needless to say, I think that we must regard the international situation as a premise for formulating the next defense buildup plan.

[Reporter] My question concerns the military bases issue. I understand that you once served as mayor of a city where a military base is located. What do you think of the military base issue?

[Ishikawa] Military bases must be located somewhere in Japan. In reality, various political and noise problems have arisen in cities, towns, and villages where the military bases are located. I think that those local autonomous organizations face troubles caused by the military bases. Because the military bases are indispensable, people living in areas where no military base is located should express their understanding of troubles suffered by other people residing in areas where such military bases are located. I think that it is necessary for the state to take a basic attitude to redress negative effects caused by the military bases.

Economic Chief Comments on Markets, Rice Ban

OW2802111690 Tokyo KYODO in English 0850 GMT 28 Feb 90

[Text] Tokyo, Feb. 28 KYODO—Newly named Director General Hideyuki Aizawa of the Economic Planning Agency said Wednesday there is no immediate need to

take action to calm the recent confusion in Japan's markets. Speaking at a press conference, Aizawa said the recent volatile movements in the currency, stock and bond markets are a phenomenon which has nothing to do with Japan's economic fundamentals. "There has been no change in the nation's economic fundamentals," he stressed.

Commenting on economic policy targets, Aizawa said the government should put top priority on rectifying price gaps between goods sold in Japan and those sold abroad. Aizawa took a dim view, however, of lifting Japan's ban on rice imports, saying that the rice issue is different from other trade issues, such as beef and oranges. If the ban is lifted, the government would have to force rice growers to cut their rice-growing areas, he said. Aizawa said that, on the part of the United States, the rice issue is not a serious one because it is not related to overall U.S. exports. The United States has been urging Japan to abolish its ban on rice imports, saying that Japan's rice policy runs counter to free trade in farm products.

Finance Minister Hashimoto on Monetary Policy

OW2802142190 Tokyo KYODO in English 0936 GMT 28 Feb 90

[Text] Tokyo, Feb. 28 KYODO—Finance Minister Ryutaro Hashimoto said on Wednesday that he sees no need to change monetary policy. He thus contradicted his remark earlier in the day, suggesting a possibl hange in the nation's monetary policy if consulted by the central bank. Speaking to reporters, he said that it is natural that the Finance Ministry should comply with any request from the BOJ [Bank of Japan] for consultation, but so far no such request has been made.

The discount rate, charged on loans to private banks, was last raised in December by half a percentage point to 4.25 percent.

Japan Urges G-7 Coordination To Halt Yen Fall

OW2802081290 Tokyo KYODO in English 0403 GMT 28 Feb 90

[Text] Tokyo, Feb. 28 KYODO—Japan has asked other Group of Seven (G-7) nations to boost coordination to prevent the yen's downfall, a senior Japanese Finance Ministry official indicated Wednesday. The official, who spoke on condition of anonymity, suggested the request was presented to a meeting of deputy G-7 finance ministers and central bank governors held in London Tuesday. Participants at the meeting discussed recent developments in world currency and measures to warrant stability in foreign exchange rates, the official said.

The G-7 deputies' meeting had been scheduled for talks on an agreement to form a development bank for Eastern Europe, provisionally called "the European Bank for Reconstruction and Development." Makoto Utsumi, vice finance minister for international affairs, represented Japan at the London meeting, the official said.

Kaifu Inaugurates Cabinet, Pledges Reform

OW2802064590 Tokyo KYODO in English 0538 GMT 28 Feb 90

[Text] Tokyo, Feb. 28 KYODO—Prime Minister Toshiki Kaifu officially inaugurated his cabinet on Wednesday and vowed to devote himself to political reform. The 59-year-old prime minister, issuing a statement after an inaugural cabinet session, said he also will promote measures to improve Japan's living standard and achieve a "clean and open administration."

Kaifu's statement said Japan should play a more active international role in the wake of rapid changes in Europe and the Soviet Union. Japan also needs an early conclusion in talks with the United States to remove structural impediments to trade and investment, Kaifu's statement said.

Domestically, urgent matters such as the tax system, land and housing problems and an aging society also must be considered, Kaifu said.

Cabinet members, at their inaugural meeting, agreed to publicly disclose all of their assets and those of their relatives, government officials said. The cabinet members also agreed to leave factions of the Liberal Democratic Party to which they belong while they are in office, the officials said.

Earlier in the day, the cabinet attended an atttestation ceremony viewed by Emperor Akihito at the Imperial Palace.

Kaifu, who won reelection as head of government in both houses of the Diet Tuesday, retained Foreign Minister Taro Nakayama and Finance Minister Ryutaro Hashimoto in the cabinet. The list of new cabinet members, announced shortly after midnight Tuesday by new Chief Cabinet Secretary Misoji Sakamoto, contained replacements for 18 ministers. Kaifu, talking with reporters briefly at his official residence, said his cabinet will continue to promote "dialogue and reforms."

Foreign Minister Nakayama told a press conference that the Japanese government will have in-depth discussions with Americans to settle the structural impediment initiative trade talks. Nakayama said he was asked by Kaifu to accompany him on a trip to Palm Springs, California, for talks with U.S. President George Bush on Friday and Saturday. The upcoming summit between Kaifu and Bush will cover not only trade but also issues regarding the environment, population, drugs and scientific cooperation under Kaifu's "global partnership" concept.

The prime minister is scheduled to deliver a policy speech to the Diet on Friday and leave for the United States immediately afterward.

Insists on Cabinet 'Clean Image'

OW2702220990 Tokyo KYODO in English 1920 GMT 27 GMT 90

[Text] Tokyo, Feb. 28 KYODO—Prime Minister Toshiki Kaifu launched his second cabinet early Wednesday morning after rejecting a scandal-tainted politician proposed by a party faction, insisting on keeping his cabinet's clean image. Kaifu, 59, who led his Liberal Democratic Party (LDP) to victory in the February 18 general election, said he was satisfied with the new cabinet lineup.

The new 21-member cabinet roster, announced by his new chief Cabinet Secretary Misoji Sakamoto, did not contain any women. The Prime Minister told reporters, "there is no change in my cabinet's position to respect women, aimed at achieving a true equality of the sexes."

Kaifu hit a snag in launching the new cabinet at one stage due to faction pressures to name Takayuki Sato, 62, who was convicted in the 1976 Lockheed payoff scandal. Former Finance Minister Michio Watanabe, leader of the LDP's fourth-largest faction, pressed Kaifu to appoint Sato in the cabinet, saying Sato is qualified to gain a cabinet post because he has been returned to the House of Representatives nine times. Sato accepted his conviction for bribery in July 1986 when he dropped an appeal to the Supreme Court against a lower court decision. Two months earlier, the Tokyo high court upheld a Tokyo District Court decision which found Sato guilty of bribery and gave him a suspended prison sentence. Watanabe himself was implicated in the Recruit stocks-For-Favor scandal last year.

Kaifu, who was elected the country's 48th prime minister last August, won reelection as head of government Tuesday afternoon, defeating opposition leader Takako Doi, chairwoman of the Japan Socialist Party.

In the new cabinet, Kaifu retained Foreign Minister Taro Nakayama and Finance Minister Ryutaro Hashimoto but replaced 18 others.

Nakayama, 65, who Kaifu retained in order to pursue continuity of Japan's foreign policies, said at a press conference that he will make efforts to maintain good relations between Japan and its main trading partner, the United States, and to do his best to solve economic disputes with Washington.

Hashimoto, 52, told reporters he will continue to watch carefully the wildly fluctuating foreign exchange market.

New Chief Cabinet Secretaty Sakamoto, 67, who announced the new cabinet roster at a news conference, said, "the second cabinet is very powerful in its ability to carry out politcal reform and dialogues." Sakamoto replaced Mayumi Moriyama, the first woman to fill the key post of chief cabinet secretary, who serves as the prime minister's chief of Staff and chief spokesperson.

Moriyama, 62, was dropped from the cabinet together with the only other woman in the previous Kaifu cabinet, Sumiko Takahara, 56, director general of the Economic Planning Agency. Takahara was the first woman nonpolitician to serve as a cabinet minister in Japan.

The new 21-member Kaifu cabinet will be officially inaugurated Wednesday after an attestation ceremony in the presence of Emperor Akihito at the Imperial Palace.

While introducing originality with the appointment of his associate Sakamoto as chief cabinet secretary, Kaifu stuck to a balance of power among the LDP's major factions in allocating posts. Kaifu, Sakamoto and new environment Agency Chief Ishimatsu Kitagawa all come from the LDP's smallest faction with 33 members, currently led by former State Minister Toshio Komoto. The prime minister gave six out of the 20 posts, excluding the prime minister, to the largest intraparty power bloc, the 103-member faction led by former Prime Minister Noboru Takeshita. He also assigned four posts each to three other major factions, headed by former Foreign Minister Shintaro Abe, former Finance minister Kiichi Miyazawa, and Watanabe.

Takeshita, Abe, Miyazawa and Watanabe expressed their backing for Kaifu to stay in power following the LDP's victory in the general election. Kaifu led the LDP to win 286 seats in the 512-seat Lower House in the general election against 140 for the Japan Socialist Party (JSP).

Kaifu appointed Kabun Muto, 63, a Watanabe faction member, as international trade and industry minister, and Tomio Yamamoto, 61, as agriculture, forestry and fisheries minister. Muto succeeded Hikaru Matsunaga and Yamamoto replaced Michihiko Kano.

The prime minister also named Yozo Ishikawa, 64, as state minister and director general of the Defense Agency, replacing Juro Matsumoto.

Muto said he will make every effort for the success of the Structural Impediments Initiative talks between Japan and the United States for the benefit of the Japanese people. Commenting on the controversial law governing large retail stores, Muto said he has no plans to scrap it. But he said it will be easier for foreign business corporations to enter into Japanese market if the law is used flexibly.

Yamamoto, an Abe faction member, reiterated Japan's position to ban the liberalization of rice imports, saying, "Japan"s food self-sufficiency is low."

New State Minister for Defense Ishikawa said Japan will be unable to defend itself without the understanding and cooperation of the Japanese people, so he will stress to them the importance of defense.

In a prime ministerial election in the Lower House at midday Tuesday, Kaifu garnered 286 votes against 146 for JSP Chairwoman Doi, 46 for Komeito Chairman

Koshiro Ishida, 16 for Japan Communist party Presidium Chairman Tetsuzo Fuwa and 14 for Democratic Socialist Party Chairman Eiichi Nagasue. At a similar prime ministerial election in the 252-seat Upper House, Kaifu and Doi went into a runoff election after an inconclusive first ballot. In the runoff ballot between the two top vote getters, Kaifu garnered 111 votes of 246 votes cast and Doi got 91. There were 44 blank votes in the second round.

Kaifu"s term of office as LDP president runs through October 1991.

Parliamentary Vice Ministers Appointed

OW2802103290 Tokyo KYODO in English 0935 GMT 28 Feb 90

[Text] Tokyo, Feb. 28 KYODO—The government on Wednesday appointed Tadamori Oshima as deputy cabinet secretary and 23 Diet members of the ruling Liberal Democratic Party [LDP] as parliamentary vice ministers of ministries and agencies. Of the 23 new parliamentary vice ministers, eight, including Koji Omi, who was named as vice finance minister, come from the faction led by former Foreign Minister Shintaro Abe.

Five members of the largest intraparty faction led by former Prime Minister Noboru Takeshita, including Fukushiro Nukaga, who became vice minister for international trade and industry, were apportioned posts. Four vice ministerial posts were given to former Finance Minister Kiichi Miyazawa's faction and the faction headed by the former LDP's Policy Affairs Research Council Chairman Michio Watanabe. However, Bunmei Ibuki, a member of the Watanabe faction, had his original appointment as vice health and welfare minister withdrawn because of involvement in the Recruit stock-for-favors scandal.

The faction led by former State Minister Toshio Komoto, to which Prime Minister Toshiki Kaifu belongs, gained two vice ministerial posts, including the health and welfare vice ministership. The vice ministers' posts are customarily occupied by LDP Diet members who have been elected to the Diet several times.

KYODO Profiles Newly Appointed Ministers

Construction Minister Watanuki

OW2802013690 Tokyo KYODO in English 1748 GMT 27 Feb 90

[Text] Tokyo, Feb. 28 KYODO—New Construction Minister Tamisuke Watanuki, 62, comes from a line of politicians. His grandfather Sakae was a town mayor in Toyama Prefecture and his father Samin a member of the House of Representatives.

A graduate of Tokyo's Keio University, Watanuki became president of a Toyama-based trucking service company, Tonami Transportation Co., in 1955 and expanded the company to become one of the nation's leading transport firms. He has been returned to the lower house eight times since 1969 from the Second Electoral District in Toyama Prefecture.

Watanuki served as director general of the National Land Agency, the Hokkaido Development Agency, and the Okinawa Development Agency in 1986 under the Government of Yasuhiro Nakasone.

He belongs to the Liberal Democratic Party faction led by former Prime Minister Noboru Takeshita.

Defense Agency Director Ishikawa

OW2802024990 Tokyo KYODO in English 1733 GMT 27 Feb 90

[Text] Tokyo, Feb. 28 KYODO—Yozo Ishikawa, a veteran politician well versed in local administrative affairs, won his first cabinet ministerial post as Defense Agency chief.

His father and grandfather were also politicians, and Ishikawa served as mayor of Oume, western Tokyo, before he shifted his political career to national affairs in 1976. During his three terms as Oume mayor, Ishikawa set up a 24-hour consulting "clinic" open throughout the year in his city, the first such office in the nation.

Ishikawa, 64, in his sixth term in the House of Representatives from Tokyo, is a member of the Liberal Democratic Party's third largest bloc led by former Finance Minister Kiichi Miyazawa. He has previously served as vice minister of the Environment Agency and the Foreign Ministry and chairman of the lower house's Cabinet Committee.

Telecommunications Minister Fukaya

OW2802014790 Tokyo KYODO in English 1746 GMT 27 Feb 90

[Text] Tokyo, Feb. 28 KYODO—New Minister of Posts and Telecommunications Takashi Fukaya is a generalist with experience in the labor, finance, and communications field. Fukaya, 54, is a sixth-term member of the House of Representatives, where he was first elected in 1972.

Tokyo-born Fukaya belongs to the faction led by former finance minister Michio Watanabe. He has served as chairman of the party's national organization committee, deputy secretary general, and vice chairman of its public relations committee. He has also served as the Labor Ministry's parliamentary vice minister and deputy secretary of the General Affairs Division at the Prime Minister's Office as well as chairman of the lower house committee on communications.

Fukaya graduated from Waseda University, where he majored in law.

Science Agency Director Oshima

OW2802001990 Tokyo KYODO in English 1824 GMT 27 Feb 90

[Text] Tokyo, Feb. 28 KYODO—Tomoji Oshima, new director general of the Science and Technology Agency has strong support from agricultural organizations. Since being elected to the House of Councillors in 1974 without the backing of the ruling Liberal Democratic Party (LDP), Oshima has called for the balanced development of urban and farming areas.

A graduate of Kyoto University, where he studied agriculture, Oshima entered the then Ministry of Agriculture and Forestry. He served as division head of agricultural administration in the Tochigi Prefectural Office.

The third-term upper house member belongs to the faction led by former Finance Minister Michio Watanabe. Oshima, 73, says he takes care of 80 acres of farmland near his home as his pastime when he returns to his constituency. His hobbies also include Kendo, or Japanese fencing.

Transport Minister Ono

OW2802021590 Tokyo KYODO in English 1743 GMT 27 Feb 90

[Text] Tokyo, Feb. 28 KYODO—New Transport Minister Akira Ono is a veteran ninth-term House of Representatives member who has served as labor minister. The 61-year-old Ono was first elected to the Diet in a by-election for the powerful lower house in 1963 from his constituency in Gifu Prefecture.

He is the son of the late Banboku Ono, an architect of the merger of two conservative parties in 1955 which gave birth to the present Liberal Democratic Party (LDP). After the faction led by his father disbanded, Ono did not join any other faction in the party. Since 1986, when he won reelection after losing his seat in the 1983 election, he has belonged to the faction under former Foreign Minister Shintaro Abe.

Ono held such major posts as Budget Committee chairman in the powerful lower house and chairman of the party's Finance Committee.

He is a graduate of Keio University, one of Japan's leading private universities.

Agriculture Minister Yamamoto

OW2802031590 Tokyo KYODO in English 1720 GMT 27 Feb 90

[Text] Tokyo, Feb. 28 KYODO—House of Councilors legislator Tomio Yamamoto has gained his first cabinet post as new minister for agriculture, forestry and fisheries.

Yamamoto, who first honed his political skills as a prefectural assembly member, handled much of the behind-the-scenes negotiations with the opposition in the upper house last fall on a bill to abolish the Consumption Tax.

Known for his straightforward manner, Yamamoto took second place in a nationwide ski competition in his youth. He combines experience as the chairman of the House of Councillors' Finance Committee and his party's upper house Diet Affairs Committee with a term as parliamentary vice minister in the Ministry of International Trade and Industry (MITI).

The 61-year-old native of Gumma Prefecture, a member of the LDP faction headed by former Foreign Minister Shintaro Abe, has been reelected three times to the upper house.

Justice Minister Hasegawa

OW2802033090 Tokyo KYODO in English 1636 GMT 27 Feb 90

[Text] Tokyo, Feb. 28 KYODO—New Justice Minister Shin Hasegawa, a member of the House of Representatives, took a step-by- step approach up the political ladder, first serving in village, town, city, and prefectural assemblies before being elected to the Diet in 1977. A member of the Liberal Democratic Party faction controlled by former Prime Minister Noboru Takeshita, Hasegawa is known for his affable personality and modest manner.

Hasegawa, 71, has chaired the upper house committee on education and served as deputy secretary general for the ruling party in addition to a stint as parliamentary vice minister for the Ministry of Posts and Telecommunications.

Hasegawa survived a mine attack on his naval vessel during World War II that left him drifting for a day and a night before being rescued. After the war he returned to his home prefecture of Niigata to run his family's sake distillery and begin his political career.

Environmental Agency Director Kitagawa

OW2802005990 Tokyo KYODO in English 1817 GMT 27 Feb 90

[Text] Tokyo, Feb. 28 KYODO—New Environment Agency Director General Ishimatsu Kitagawa, 71, wins his first cabinet post in his sixth term in the House of Representatives. After serving as a local assembly member in the City of Neyagawa, Osaka Prefecture, he was first elected to the lower house in 1976.

He is known as a man who has suffered many hardships, having lost his parents during his childhood and graduated from a night school and Kansai University. Kitagawa, a member of the faction led by former State Minister Toshio Komoto, to which Prime Minister Toshiki Kaifu belongs, is also known as a man of principle.

Land Agency Director Sato

OW2802011990 Tokyo KYODO in English 1818 GMT 27 Feb 90

[Text] Tokyo, Feb. 28 KYODO—Newly-named National Land Agency chief Moriyoshi Sato an eight-time veteran of the House of Representatives, is well known for his long and determined struggle to enter politics. Sato, 67, entered politics in 1969 after persisting for nine years from the time of his first candidacy in a lower house election campaign when he was 38. He then had three unsuccessful runs before entering politics.

The native of Hiroshima Prefecture also had to put his ambitions on hold when he was drafted into the military during World War II while still a student at Tokyo's Chuo University. After graduation, he served his political appenticeship by acting as secretary to two politicians.

In 1985, as minister of agriculture, fisheries and forestry, Sato visited the Soviet Union and helped solve the deadlocked Japan-Soviet fisheries negotiations.

Sato is a member of former Prime Minister Noboru Takeshita's Liberal Democratic Party (LDP) faction. He has worked as parliamentary vice transport minister, parliamentary deputy national land agency chief, and the lower house's Telecommunications Committee chairman. He has also served in such LDP posts as deputy party secretary general, and vice chairman of the Policy Research Council and the Executive Council.

Emperor Appoints Kaifu, Attests Cabinet

OW2802064990 Tokyo KYODO in English 0239 GMT 28 Feb 90

[Text] Tokyo, Feb. 28 KYODO—Emperor Akihito appointed Toshiki Kaifu as prime minister and attested 20 other cabinet members Wednesday to have them officially begin their duties. The Emperor gave the documents of appointment and attestation to the new cabinet members in a ceremony at the Imperial Palace which began shortly before 10 AM.

Kaifu named 20 Liberal Democratic Party (LDP) members as ministers of his second cabinet early Wednesday morning after the Diet elected him prime minister Tuesday following the LDP's victory in the February 18 general election for the House of Representatives. The ministers included Foreign Minister Taro Nakayama and Finance Minister Ryutaro Hashimoto, both of whom retained their posts, as well as 10 new cabinet members.

The prime minister will open the first cabinet meeting at 11 AM at his official residence after the imperial ceremony. In the meeting, the prime minister is expected to ask all the ministers to reveal the amount of their assets to the public and to have stocks they hold put in trust to avoid a repetition of stock-dealing scandals such as the Recruit affair. He will also request them to leave their factions during their tenure to help lessen factional maneuvers within the ruling party. Kaifu will also call for cabinet members' each [words indistinct] for the brief statement he will make later on in the day in which he will pledge the cabinet's basic philosophy for dialogue [word indistinct].

In the statement, he is expected to promise to establish strict political ethics, a process which was partly shown during the formation of his new cabinet when he refused to include politicians tainted by the Recruit and Lockheed bribery cases.

Kaifu will meet reporters in the afternoon to discuss his policies related to foreign and domestic affairs.

The prime minister is to deliver a policy speech in the Diet on Friday and leave for the United States immediately after the speech to meet President George Bush.

Business Leaders Praise Kaifu Cabinet Choices

OW2802044490 Tokyo KYODO in English 1714 GMT 27 Feb 90

[Text] Tokyo, Feb. 28 KYODO—Japanese business leaders lauded Prime Minister Toshiki Kaifu for refusing to include a scandal-tainted politician in his new cabinet. The leaders also said the Kaifu administration should carry out a drastic political reform in an effort to restore public faith in politics.

Rokuro Ishikawa, president of the Japan Chamber of Commerce and Industry, called on the new cabinet to work to achieve an inexpensive election system and a revision of the fixed number of Diet seats. He also urged the new cabinet to strive to settle the nation's land and housing problems and to work to narrow the wide gap between the domestic and international prices of goods.

Eishiro Saito, chairman of the Federation of Economic Organizations, praised Kaifu for having decided to visit the United States to break the deadlock in Structural Impediments Initiative (SII) talks.

Eiji Suzuki, president of the Japan Federation of Employers' Associations, said the new cabinet should lay down a clear-cut policy toward the settlement of problems concerning agriculture and the distribution system.

Takashi Ishihara, chairman of the Japan Association of Corporate Executives, called on the new cabinet to work out a grand design for the future course of Japan in a rapidly changing world, and to carry out its policies accordingly.

Yutaka Kume, president of Nissan Motor Co., said the new cabinet, in which the finance and foreign ministers are retained, will be capable of taking necessary steps to sustain the growth of the Japanese economy and to reduce trade frictions involving Japan.

Tadahiro Sekimoto, president of NEC Corp., welcomed the retention of Nakayama and Hashimoto as a way of continuing present policies.

Isao Yonekura, president of C. Itoh and Co., a trading giant, said the new cabinet should work firstly for cooperation between the ruling and opposition parties. Secondly, he said the cabinet should work to reestablish friendly relations with the U.S. On the SII talks with the U.S., he said the government should show a willingness to compromise and implement measures according to a timetable. The Japanese market for some problem goods and services is actually open, Yonekura said, and the Japanese Government should make this clear. If the U.S. should impose sanctions against Japan, the government should appeal to the General Agreement on Tariffs and Trade, Yonekura said.

Akio Tanii, president of the Electronic Industries Association of Japan, said he hopes the new cabinet will work to establish a new political order based on ethics. He also wanted it to become an internationally reliable administration attaching importance to international amity. To that end, the new cabinet should continue working to build up domestic demand, Tanii said.

Sashiro Okamoto, president of the Japan Chemical Fibers Association, said with the opposition parties having a majority at the House of Councillors, the new cabinet will face difficulties. He said he hoped that the new cabinet would actively tackle both domestic and international problems.

Kuniji Miyazaki, president of the Federation of Bankers Associations of Japan, said he hopes the new cabinet will make every effort to restore public faith in politics, improve the people's livelihood, and push for international economic cooperation under the strong leadership of Kaifu.

Akira Ichihara, president of the Japan Department Stores Association, said if the Government fails to successfully handle the problems brought up by the U.S. in the SII talks, Japan may be internationally isolated. The Government should make clear its medium- to long-term direction and go ahead in that direction, he said. The cabinet should take flexible measures to ensure a steady expansion of domestic business activity, which is now in a delicate phase because of the yen's depreciation trend and labor shortages, he added.

Mongolian Premier Sodnom Meets With Emperor

OW2802082590 Tokyo KYODO in English 0332 GMT 28 Feb 90

[Text] Tokyo, Feb. 28 KYODO—Mongolian Premier Dumaagiyn Sodnom met with Emperor Akihito at the Imperial Palace on Wednesday, palace officials said.

Sodnom, here since Tuesday on a six-day official visit, had friendly talks with the emperor at the Takeno-ma room, officials said.

The Japan tour was his first visit to a Western nation.

Mongolia

Premier Seeks Japanese Economic Cooperation

OW2702114790 Tokyo KYODO in English 1050 GMT 27 Feb 90

[Text] Tokyo, Feb. 27 KYODO—Mongolia's Prime Minister Dumaagiyn Sodnom, who arrived Tuesday for a historic visit to Japan, asked Japanese businessmen for economic cooperation in the construction of a small steel plant.

Sodnom, the first Mongolian prime minister to visit a Western country since 1921 when Mongolia became communist, met Eishiro Saito, chairman of the Federation of Economic Organizations (Keidanren), to discuss his country's efforts for industrialization. Sodnom said Mongolia is now pursuing its own version of perestoroyka, promoting political and economic reforms.

"In order to boost the restructuring, Mongolia wants closer ties with Western nations, especially Japan," he said.

The Mongolian leader invited Japan's private sector to exploit his country's abundant minerals and called for economic assistance for a government-backed project to build a small steel plant, a request to which Saito responded positively.

"Japan has high-level technology in steel production. We will do our utmost (to assist the project)," Saito said. As part of his six-day visit, Sodnom is also scheduled to meet Emperor Akihiko on Wednesday and Prime Minister Toshiki Kaifu the day after.

Soviet Troop Withdrawal Delegation Arrives

OW2802120290 Ulaanbaatar MONTSAME in Russian 1458 GMT 27 Feb 90

[Text] Ulaanbaatar, 27 Feb (MONTSAME)—A Soviet Government delegation headed by Colonel General A.N. Kleymenov, deputy chief of the USSR Armed Forces General Staff, arrived in Ulaanbaatar today to take part in talks on questions relating to the final withdrawal of Soviet military units from the MPR [Mongolian People's Republic] territory.

The delegation was met at Bayant-Uhaa Airport by [passage indistinct] forces Lieutenant General S. Jadambaa, and V.I. Sitnikov, USSR Ambassador to the MPR.

On the same day, the delegation headed by Colonel General A.N. Kleymenov was received by T. Gombosuren, MPR minister of foreign affairs, as well as by Lieutenant General D. Molomjamts, MPR minister of defense.

The meetings were attended by V.I. Sitnikov, the USSR ambassador to the MPR.

MPRP To Propose Deletion of Leading Role

LD2802092690 East Berlin ADN International Service in German 0839 GMT 28 Feb 90

[Text] Ulaanbaatar (ADN)—The Mongolian People's Revolutionary Party Central Committee Politburo will propose to the forthcoming Central Committee plenum the deletion from the Constitution of the statement regarding the leading and guiding role of the party. According the UNEN today, this proposal is to be submitted at the meeting of the People's Great Hural, scheduled for 21 March.

The Central Committee plenum, which is to begin next Monday, will also discuss the possibility of moving up the party congress, originally sceduled for the end of November, and the holding of an extraordinary party congress.

North Korea

Media Voice Support for KPA Mobilization Order

Pyongyang Radio 28 Feb

SK2802050790 Pyongyang Domestic Service in Korean 0146 GMT 28 Feb 90

[Editorial: "Let Us Be Fully Ready for Combat Mobilization in Preparations Against the Enemy's War Maneuvers"]

[Text] The Team Spirit-90 joint military exercise, which the U.S. imperialists and the South Korean puppet clique began in late January, has reached its adventurous stage. Not only the U.S. troops and the puppet troops in South Korea but also the U.S. troops from the U.S. bases in the U.S. mainland and the Pacific—forces massive enough to wage a war—have been mobilized. A fleet of aircraft carriers equipped with nuclear weapons, destroyers, B-52 strategic bombers, F-16 fighter bombers, and other nuclear-loaded aircraft, missiles of various types, and numerous other technological equipment also have been mobilized. Large-scale joint landing operations, joint river-crossing operations, aerial mobile operations, special commando operations, and various other offensive operations against our Republic will be comprehensively conducted in this war exercise, which will last for approximately 90 days until later April. With the beginning of the Team Spirit joint military exercise, the U.S. imperialist troops of aggression and the puppet troops in South Korea took up positions at the sites of operations and assumed a combat readiness posture. Also, the U.S. troops on the U.S. mainland and Guam, Hawaii, Japan, the Philippines, and other foreign countries are continuously swarming into South Korea along with numerous weapons of mass murder and new-type operational equipment.

The United States launched an armed aggression against a sovereign state in Central America right after it declared to the world that the cold war is over and that a peaceful era has come. Such being the case, there is no guarantee that, seizing the opportunity in which it has concentrated numerous troops and ultramodern military equipment on areas close to the Military Demarcation Line under the pretext of the Team Spirit joint military exercise, the United States would not launch a military adventure of invading the North.

In preparations against a grave situation in which a danger of nuclear war is being created in our country because of the reckless military provocation maneuvers by the U.S. imperialists and the South Korean puppet clique, the supreme commander of the Korean People's Army [KPA] has issued an order to all units of the army, navy, and air force of the KPA and the Korean People's Security Forces and to all the members of the Workers-Peasant Red Guards and the Young Red Guards to get fully ready for combat mobilization with a heightened revolutionary vigilance. The officers and men of the KPA and the Korean People's Security Forces who are mobilized in peaceful construction also were ordered to get fully ready for emergency mobilization any moment. This is an appropriate, self-defensive measure to cope with a possible surprise aggression by the U.S. imperialists and the South Korean warmongers.

The great leader Comrade Kim Il-song has taught: The Team Spirit joint military exercise, which the United States has conducted in South Korea since 1976 as if it were an annual event, is a preliminary war and test nuclear war designed to launch a preemptive strike against the northern half of our Republic.

The Team Spirit-90 joint military exercise is a vicious exercise for attack operations and a very dangerous nuclear war exercise designed to launch a preemptive strike against our Republic according to U.S. strategy in Asia and the Pacific. In compliance with the earnest desire of all the Korean people and the world's peace-loving people who hope for arms reduction and detente this year, in order to bring about a fundamental change in alleviating tension on the Korean peninsula and achieving the peaceful reunification of the country, our party and the government of our Republic advanced a new reunification proposal that a wall between the North and South be torn down and that free mutual visits and total opening up be realized, and has repeatedly demanded that the Team Spirit-90 joint military exercise, which poses an obstacle to North-South dialogue, be discontinued.

However, the U.S. imperialists and the South Korean puppets did not accept any of our reunification plans or peace proposals, and they continue to dash along the road that runs counter to them. The U.S. leaders, while babbling about the seriousness of the situation on the Korean peninsula, are attempting to station U.S. imperialist aggressor troops—the ringleaders that aggravate

tensions—permanently in South Korea, accelerating an arms buildup, including nuclear weapons.

Using South Korea as a forward base, the U.S. imperialists are attempting to realize their ambition for aggression against all of Korea and other socialist countries in Asia by any means. The U.S. imperialists and the puppets, running counter to the current trend of disarmament and detente, are greatly straining the situation on the Korean peninsula, continuously wielding nuclear weapons and continuing the provocative Team Spirit joint military exercise, which they began in the mid-seventies and have continued until today in the nineties. This shows that the warmongers' aggressive ambition not only remains unchanged but is becoming even more frenzied.

The Team Spirit joint military exercise is intentional and a deliberate maneuver aimed at aggravating North-South relations and blocking the road to peaceful reunification. This is well shown by the fact that the adventurous war exercise maneuvers of the United States and the South Korean ruling bunch are gravely challenging our new reunification plan for the fatherland—a plan designed to pull down the concrete wall between the North and South and realize free visits and total openness. Meanwhile, the multichannel dialogue that had been under way between the North and South was completely suspended. We sternly denounce the Team Spirit-90 joint military exercise conducted by the U.S. imperialists and the South Korean puppets as an intolerable crime threatening peace in Korea, Asia, and the world and an extremely dangerous military adventure blocking the way to the peaceful settlement of the Korean question and leading the situation to the brink of war.

The U.S. imperialists and the South Korean puppet clique are now pretending that they are interested in alleviating tensions on the Korean peninsula, while they rave about reducing U.S. troops in South Korea and scaling down the Team Spirit joint military exercise. This is nothing but a clumsy excuse, designed to hide their criminal nature, displayed by the warmongers that pursue intentional military confrontation policy, leading the situation on the Korean peninsula to the brink of war rather than to the phase of detente.

As the whole world admits, the U.S. imperialists, babbling about arms reduction, are increasing their actual combat capabilities by redeploying troops of the U.S. Armed Forces and building up troop strength of the puppet armed forces. The raving about the reduction of troops is a cunning tricky maneuver aimed at giving an impression that they are doing something in conformity with the worldwide trend of detente. Their raving about the scaling down of the Team Spirit joint military exercise is a false publicity designed to deceive and mock public opinion, for it is now clear that a great number of troops with the same scale as before will be participating in this war exercise. Machinations and deceptions cannot hide the criminal nature of the warmongers that seek aggression and war from the old standpoint of the cold war era.

The U.S. imperialist aggressors should immediately call off the Team Spirit-90 joint military exercise designed for aggression against all of Korea and Asia. They also should withdraw from South Korea without delay, taking along the U.S. troops in South Korea and U.S. nuclear weapons. If the United States continues its policy of occupying South Korea and seeks to provoke a new war using it as a forward base, it will never meet with good consequences.

The South Korean puppet clique must no longer continue the traitorous act designed to provoke a war of aggression against the compatriots by colluding with foreign forces. It must step down from power according to the South Korean people's unanimous demand.

Easing tension on the Korean peninsula and achieving the reunification of the fatherland independently and peacefully are an invariable policy of our party and the government of the Republic.

In the future, too, we will make all efforts to ease tension and eliminate military confrontation.

We cherish peace, but we never beg for it.

If the U.S. imperialists and the South Korean fascist military clique persistently move forward along the road of war by trampling our people's unanimous aspiration and desire to make the 1990's a historic period for achieving the independent and peaceful reunification of the country, our revolutionary armed forces and all Korean people will fight by turning out as one to defend the sacred soil of the fatherland and the precious gains of the revolution, including our chuche socialist system, from the enemy's aggression.

By upholding the order of the KPA supreme commander, all units of the KPA and the People's Security Forces, all members of the Red Worker-Peasant Militia and the Red Youth Guards, and all people must maintain high revolutionary vigilance and establish complete combat mobilization posture so that they can swiftly crush any war provocation maneuvers of the enemies. By so doing, they must defend the land of the fatherland, its seas, and its skies as an impregnable fortress.

All party members and working people, by upholding the great leader Comrade Kim Il-song's New Year address and the decision of the 17th plenary meeting of the sixth party Central Committee, must answer the enemies' aggressive war maneuvers by effecting another great revolutionary upsurge in the socialist construction by creating the speed of the nineties.

To crush the occupation and war policy of the U.S. imperialists who attempt to impose even a nuclear catastrophe on our people, still dissatisfied with the infliction of the agony of division on them for nearly half a century, and to expel them from South Korea, the

South Korean people must raise the banner of struggle even higher to liquidate the group of traitors who obstruct our people's cause of independence, democracy, peace, and reunification by begging for the U.S. troops' permanent occupation of South Korea and by pulling their masters' van of nuclear war.

If the U.S. imperialists and the South Korean puppet clique do not heed our warning but persistently move forward along the road of provoking a new war, our revolutionary armed forces and all people will strike a punishing retaliatory blow, annihilating them.

Our people remain firmly united around the party Central Committee headed by the respected and beloved Comrade Kim Il-song. Our people continue to vigorously advance toward the complete victory of socialism in the northern half of the Republic and toward the independent and peaceful reunification of the fatherland. Our people are ever-victorious.

KCNA Cites Newspapers

SK2802053090 Pyongyang KCNA in English 0510 GMT 28 Feb 90

[Text] Pyongyang February 28 (KCNA)—Papers here today editorially call for getting fully ready for combat mobilization against the adventurous "Team Spirit-90" joint military exercises being staged by the U.S. imperialists and the South Korean puppet clique, in hearty response to the order of the supreme commander of the Korean People's Army [KPA].

In face of the grave situation under which the danger of a new war, a nuclear war, has been created in our country owing to the reckless military provocations of the U.S. imperialists and the South Korean puppet clique, the supreme commander of the KPA issued an order to the entire units of the three services of the KPA and the Korean People's Security Forces and to the entire members of the Worker-Peasant Red Guard and the Young Red Guard to get fully ready for combat mobilization with a heightened revolutionary vigilance.

The officers and men of the KPA and the Korean People's Security Forces mobilized in peaceful construction, too, were ordered to be in full readiness for emergency mobilization any moment.

Noting that the "Team Spirit-90" joint military exercises, a heinous offensive exercise for a preemptive strike at the northern half of Korea and an extremely dangerous nuclear war exercise, have entered a reckless stage, an editorial of NODONG SINMUN says:

The U.S. imperialist aggressors should stop at once the maneuvers aimed at invading the whole of Korea and Asia and withdraw without delay from South Korea, taking along their troops and nuclear weapons.

The South Korean puppet clique should commit no longer treacherous act to ignite a war of aggression against fellow countrymen, in collusion with foreign forces, and step down from "power" as unanimously demanded by the South Korean people.

To ease the tension prevailing on the Korean peninsula and achieve national reunification independently and in a peaceful way is a consistent policy of our party and the government of the republic.

We will make every effort for detente and removal of military confrontation in the future, too.

We value peace, but never beg for it.

If the U.S. imperialists and the South Korean military fascist clique persistently keep to the road of war, trampling upon the unanimous aspiration and desire of our people to make the 1990s a historic decade in which we will realize the independent and peaceful reunification of the country, our revolutionary armed forces and the entire Korean people will rise as one man and fight to defend the inviolable land, our chuche-based socialist system and the precious gains of revolution from the aggression by the enemy.

All units of the Korean People's Army and the Korean People's Security Forces, the entire members of the Worker-Peasant Red Guards and Young Red Guards and the entire people must be in full combat readiness with hightened revolutionary vigilance to crush the war provocation moves of the enemy and must defend the ground, sea and sky of the country like an impregnable fortress, in hearty response to the order of the commander of the Korean People's Army.

The entire party members and working people should answer the aggressive and war moves of the enemy with another great revolutionary upsurge in socialist construction by creating the " '90s speed" in hearty response to the new year address of the great leader Comrade Kim Il-song and the decisions of the 17th plenary meeting of the sixth Central Committee of the party.

If the U.S. imperialists and South Korean puppet clique provoke a new war in defiance of our warning, our revolutionary armed forces and entire people will inflict an annihilating retaliatory blow and severe punishment upon them.

Pyongyang Protests U.S. 'Aerial Espionage'

SK2702153090 Pyongyang KCNA in English 1515 GMT 27 Feb 90

[Text] Pyongyang February 27 (KCNA)—The U.S. imperialist aggressors are getting more frenzied in aerial espionage against the northern half of Korea, according to military sources.

From 7:47 to 13:20 today they let the "U-2" high-altitude strategic reconnaissance plane make an 18,000 metres high shuttle flight from the east to the west along the Military Demarcation Line to take photos of strategic targets in the areas more than 200 kilometres deep into the northern half of Korea.

Around 10:00 they brought the Okinawa-based "E-3" AWACS to South Korea and let it fly more than 8,000 metres high above the area adjacent to the MDL for a long time to spy the ground and maritime targets of the northern half of the country.

And they frantically committed aerial esgionage on the frontline area of our side by intensively infiltrating the "RC-12," "RV-1" and other types of tactical spy planes of the three services into the sky above the MDL.

Such missions have been reported on more than 150 occasions in February alone.

This shows that they are watching for a chance to invade the North.

APN Cited on 'Bellicose' Team Spirit Exercises

SK2802044690 Pyongyang KCNA in English
0429 GMT 28 Feb 90

[Text] Pyongyang February 28 (KCNA)—APN [Agentstvo Pechati "Novosti"] recently published a news analyst's article exposing the bellicose and aggressive nature of the "Team Spirit-90" joint military exercises started by the U.S. imperialists and the South Korean puppet clique.

This military rehearsal which bears a close resemblance to a real war is aimed at completing the exercises of "nuclear forestalling attack," landing operation of naval brigades and sorties of warplanes, said the Soviet news agency, adding:

The Soviet Union and other Asian countries consider that the "Team Spirit" joint military manoeuvres are an anachronistic military and political action, which renders the situation on the Korean peninsula and in this region all the more strained.

The fiction of "threat from the North," a cliche of the United States and South Korea, can no longer deceive anyone, it stressed.

Gregg 'Hit Hard' by Peasants on Market Opening

SK2402051690 Pyongyang KCNA in English
0500 GMT 24 Feb 90

[Text] Pyongyang February 24 (KCNA)—Gregg, the colonial "governor-general" who was prowling about in South Korea these days, was hit hard by peasants when he went to a rural village in Chongsong County, North Kyongsang Province, on February 21, according to a report.

When the U.S. Ambassador Gregg was walking around the village for "dialogue" and the like some ten peasants there burst into rage, saying "the countryside has been devastated due to the U.S. pressure to open the market to U.S. agricultural and livestock products." They took him to the empty cottage house of an uprooted peasant, one of its evidences.

The angry peasants warned that they would conduct a massive anti-U.S. movement, if the United States failed to renounce its colonial predatory policy.

Gregg was so taken aback that he said he "realized that the market opening is delicate and serious" to the South Korean peasants and he would "frankly report it to his home country," in an effort to escape punishment.

Gregg who set out on his tour of the countryside with a sinister intention to force more U.S. agricultural and livestock products on South Korea reminds us of a man who went out for wool and came home shorn.

However artfully he may try to flout and deceive South Korean peasants, he can never appease their anti-American spirit.

Wall Near MDL Considered Environmental Threat

SK2302114290 Pyongyang KCNA in English
1000 GMT 23 Feb 90

[Text] Pyongyang February 23 (KCNA)—The removal of the concrete wall built in the area south of the Military Demarcation Line (MDL) at present is not only important for uprooting the root cause of North-South confrontation and opening a short cut to reunification, but very urgent for the protection and development of the ecosystem in this region, declares academician, Prof. and Dr. Yim Nok-chae, a chairman of the Korean Society of Biology, in a statement on February 22.

The ecosystem in the area is being seriously damaged owing to the concrete wall today when keen worldwide concern and attention is directed to environmental protection and development, he says, and adds: To remain an onlooker to this is an unpardonable act contrary to the future development of the nation and the desire of mankind.

Iron bars were driven into the bed of the midstream of the River Yimjin flowing along the MDL and a concrete wall was built even on hillsides and on the ridges of steep heights from the east to the west of Korea; trees were cut down in the vast area and the thick woods in the Demilitarized Zone were set on fire to be reduced to ashes, preventing the movement of wildlife and adversely affecting the propagation of animals and plants, causing vast tracts of land to be washed away and the river bed to rise in the area, Yim Nok-chae said, and continued:

If these things are left to go on at the present juncture, the ecosystem will suffer a heavier damage, which will not be pardoned by the posterity, to say nothing of our generation. The South side should immediately respond to our just demand for the removal of the concrete wall.

We are ready to cooperate with the South side for the protection and development of the damaged ecosystem in the area, if it pulls down the concrete wall.

I believe that all the South Korean conservational scholars will pay due attention to the destruction of the ecosystem in the area along the MDL and respond to the righteous struggle for the removal of the concrete wall.

Availing myself of this opportunity, I express the hope that all the conservational scholars and people around the world, who value nature will extend support and solidarity to the struggle of our people for the removal of the concrete wall.

Soviet Foreign Ministry Spokesman Cited on Wall

SK2502082590 Pyongyang KCNA in English 0805 GMT 25 Feb 90

[Text] Pyongyang February 25 (KCNA)—The Democratic People's Republic of Korea proposed to remove the wall dividing the peninsula, and it is high time walls were pulled down, said Gennadiy Gerasimov, a spokesman for the Soviet Foreign Ministry, at a press conference in Tokyo on February 23, according to a TASS report.

Some people said there is no wall in Korea, but I saw it for myself when I went to Panmunjom, he stressed.

Noting that the DPRK should not be considered to pose a "threat," he said there are no foreign troops in the DPRK, but there are in South Korea.

Pointing out that the Soviet Union does not intervene in the internal affairs of other countries, he stressed that the DPRK is an independent country guided by its chuche idea.

Referring to th "arms reduction plan" for the U.S. forces which was made public by U.S. Defense Secretary Cheney during his Asian tour, he said it is on a very small scale and mainly intended for modernization of the U.S. Armed Forces.

NODONG SINMUN on 'Barrier of Division'

SK2402103490 Pyongyang KCNA in English 1021 GMT 24 Feb 90

[Text] Pyongyang February 24 (KCNA)—NODONG SINMUN today carries an article titled "Pulling Down the Barrier of Division Is Vital Demand of Time and Nation."

The article declares that so long as the concrete wall remains, the state of closure and confrontation between the North and the South can not be dispelled and, accordingly, national reconciliation and unity and the reunification of the country cannot be realised anytime.

The author of the article continues:

Pulling down the concrete wall is, first of all, a guarantee for the improvement of the North-South relations and realization of free travel between the two sides.

If the country's reunification is to be achieved, national reconciliation and unity between the North and the South must be achieved and this is made possible only in the course of the people in the two parts making broad contacts and dialogue with each other, traveling freely.

Under the present situation in which the road of travel is blocked by the artificial barrier, the people of the North and the South cannot come to mutual understanding, visiting each other, nor realise national reconciliation and unity nor expect a practical resolution of the reunification question.

Pulling down the concrete wall is also an indispensable requisite to complete opening between the North and the South.

It is no more than an empty talk to vociferate about opening between the North and the South, leaving intact the wall of division which makes the North-South relations worse than those between hostile countries and separates the North and the South so close to each other by a distance of thousands of miles. If the independent and peaceful reunification of the country is to be accelerated, the wall of division must be torn down in South Korea and the North and the South must head for complete opening to each other in all spheres including politics, economy and culture.

Partial opening will lead to nowhere. The "agreement on passage, communications and trade" between the North and the South proposed by the South Korean authorities is, in essence, not for reunification but for getting on like aliens, the two parts existing as "two states." The destruction of the barrier of division is the best way of creating an atmosphere of national unity and, furthermore, opening an epoch-making phase for independent and peaceful reunification by improving the North-South relations now in a state of tight closure and realizing free travel and complete opening.

Since the South Korean authorities expressed "welcome" to the opening of the wall in another country, there is no grounds for them to refuse to demolish the wall of division in the area of South Korea.

Mass Meeting Welcomes South Korean Defector

SK2702104890 Pyongyang KCNA in English 1041 GMT 27 Feb 90

[Text] Pyongyang February 27 (KCNA)—A mass meeting was held here today to welcome Yi Chae-kwan, executive of the Samsong Yujin home electric appliances company of South Korea who defected to the northern half of the country some time ago.

At the meeting Yi Chae-kwan was awarded an order of the DPRK and prize money and given many souvenirs.

Sim Song-kyong, vice-chairman of the Pyongyang Municipal Administration and Economic Guidance Committee, in his speech said that Yi Chae-kwan's

defection to the North clearly manifested his patriotic will to live a worthy life for the country and the nation as a Korean youth.

In his reply speech, Yi Chae-kwan said:

The working masses in the socialist North have nothing to worry about. They are provided with houses and receive medical assistance and education free of charge.

The socialist North where the working masses live a dignified life is the true motherland of the entire Korean nation.

I feel very proud of my coming over to the socialist North from the colonial South where money decides everything. I am sure that my choice was absolutely right.

Yi Chae-kwan expressed his firm determination to study and work hard for the reunification of the country in order to live up to the deep loving care of the great President Kim Il-song and the dear leader Mr. Kim Chong-il.

Letter to Kim Il-song Supports Reunification

SK2502082390 Pyongyang KCNA in English
0802 GMT 25 Feb 90

[Text] Pyongyang February 25 (KCNA)—The great leader President Kim Il-song received a letter sent by Guy Dupre, secretary general of the International Liaison Committee for the Reunification and Peace of Korea (CILRECO), in representation of the attendants of the emergency meeting of the CILRECO executive committee which was held in Paris, France.

The letter dated Feb. 13 said that the epochal reunification proposal advanced by President Kim Il-song in the New Year address to remove the concrete wall built in the area south of the Military Demarcation Line and ensure free travel and total opening between the North and the South is an initiative of weighty significance.

It referred to the measures which were discussed and decided at the meeting to launch a broad international solidarity campaign in support of the proposal and raise loud voices urging the United States and the South Korean authorities to remove the obstacles to its realization.

It informed that the participants of the meeting decided to dispatch international fact-finding groups to both areas of the Military Demarcation Line to show up the truth of the concrete wall.

Kim Il-song Sends Message to Ethiopian Leader

SK2402045090 Pyongyang KCNA in English
0438 GMT 24 Feb 90

[Text] Pyongyang February 24 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, sent a message to Mengistu Haile Mariam, general secretary of the Central Committee of the Workers' Party of Ethiopia, president of the People's Democratic Republic of Ethiopia and commander-in-chief of the Revolutionary Army, in reply to his solidarity message.

The message expressed thanks for the full support and solidarity of the Workers' Party, government and people of Ethiopia to our new national reunification proposal put forward in the New Year address for this year.

Their positive support for every new reunification proposal of ours is a great encouragement to the Korean people in the struggle for peace and peaceful reunification of the country, it said.

Expressing satisfaction over the fact that the friendly and cooperative relations are consolidating and developing between the two countries as the days go by, it wished successes to the efforts to achieve the national unity and stability and build powerful Ethiopia.

Media Mark Anniversaries of Kim Il-song Works

1970 Treatise on Education, Art

SK1802093490 Pyongyang KCNA in English
0902 GMT 18 Feb 90

[Text] Pyongyang February 18 (KCNA)—NODONG SINMUN today dedicates an article to the 20th anniversary of the publication of the immortal classical work "Education, Literature and Art Must Contribute To Forming the Revolutionary World Outlook" by the great leader President Kim Il-song (February 17, 1970).

In this work President Kim Il-song gave a new exposition of the importance and significance of the issue of arming the working people and youth and children with the revolutionary world outlook and comprehensive answers as to the lawful course of the establishment of the revolutionary world outlook among the people.

The article quoted the great leader Comrade Kim Il-song as saying: "School education plays a very important role in cultivating a revolutionary world outlook."

Our party set it forth as the main task of socialist education to establish the revolutionary world outlook among the youth and children and oriented all the content and methods of education at schools to establishing the revolutionary world outlook among the school children and, in this course, has registered signal successes in bringing up true revolutionary talent of chuche type.

As clarified in the work, the revolutionary world outlook of people is formed and consolidated and developed through a certain stage of the development of their consciousness.

The development of consciousness from class hatred to revolutionary preparedness is the course of the establishment of the working-class viewpoint and, at the same time, the course of the establishment of the revolutionary faith and revolutionary will based on it. Without this course of the development of consciousness, is it impossible for the people to be true revolutionaries.

In his work the great leader put stress on the role of progressive literary and art works in establishing the revolutionary world outlook. He said that many excellent works based on the revolutionary traditions and the class struggle shoud be created to greatly contribute to the establishment of the revolutionary world outlook of the new generation.

This classical work of the great leader gives an allround exposition of the ideological and mental traits which true revolutionaries of chuche type should possess and indicates the orientation and content of education at school with the establishment of the revolutionary world outlook among the new generation as its keynote and the scientific way of education through literary and art works.

Our party has constantly developed in depth and energetically directed the work for rearing the new generation, the heirs to our revolution, to be true revolutionaries of chuche type with firm revolutionary world outlook, in keeping with the new requirements of the modelling of the whole society on the chuche idea.

1964 Theses on Rural Questions

SK2502083290 Pyongyang KCNA in English 0811 GMT 25 Feb 90

[Text] Pyongyang February 25 (KCNA)—Papers here today dedicate editorials to the 26th anniversary of the publication of the great leader President Kim Il-song's classic work "Theses on the Socialist Rural Question in Our Country" (February 25, 1964).

The rural theses are a great programme of rural construction which indicates the most correct way of successfully building socialism in the countryside on the basis of the chuche idea.

The editorial of NODONG SINMUN says:

President Kim Il-song with a deep insight into the prospective requirement of socialist construction laid down the rural theses, a great programme of socialist rural construction, dozens of years ago and has carried them into practice with success, thus setting a brilliant example of building an ideal socialist countryside. This is an immortal historic contribution to the accomplishment of the cause of socialism.

One of the most important tasks of the working-class party and state is to correctly solve the rural question under socialism.

Only by solving the rural question correctly is it possible to provide the peasants with an independent, affluent and cultural life, assimilate the peasants to the working class, build a classless society and achieve the complete victory of socialism.

Successfully building socialism in the countryside is of great importance particularly in promoting the socialist construction of the nation as a whole and consolidating the socialist system. Concentrating efforts on the solution of the rural question to overcome the ideological, technical and cultural backwardness in the countryside will make it possible to prevent capitalist elements from being developed and encouraged in the countryside and increase the influence of socialism. The strengthening of the socialist stronghold in the countryside is the correct way of pushing ahead with socialist construction as a whole and consolidating the party, the revolutionary ranks and the socialist system.

The three revolutions have been dynamically accelerated as indicated by the rural theses. As a result, a radical turn has taken place in the ideological and moral traits of our peasants and the material and technical foundations of agriculture have been consolidated remarkably. Our countryside has gone through a great change in the true sense of the word and turned into a socialist rural community, rich, prosperous and cultural.

Thanks to the wise guidance of the party and the leader, a brighter prospect is in store for socialist rural construction in Korea.

It is the unshakable determination of our party to creditably fulfil all the tasks set in the rural theses in a few years to come and proclaim the accomplishment of the theses, notes the paper. It lays stress on accelerating the ideological, technical and cultural revolutions in the countryside to completely fulfil the tasks set by the theses.

MINJU CHOSON praises the rural theses as a great programme of rural construction of our party and an encyclopedia which gives a comprehensive and profound exposition of the way of the final solution of the rural question in socialist society.

Choe Tae-pok Views Will of Revolutionary Party

SK2402050090 Pyongyang KULLOJA in Korean No 10 Oct 89 P 9-14

[Article by Choe Tae-pok: "Our Party is a Revolutionary Party With Indomitable Will and Courage]

[Text] Our people have engraved the annual ring of great victory on the chronicle of the glorious Korean revolution through their protracted and arduous struggle.

Ever since the party was founded, our people have surmounted multilayered barriers and difficulties with their own strength on the road of protracted and arduous struggle and have, thus, created a history of great change and advance.

By brilliantly carrying out the two phases of social revolution in a short period of time in history and by vigorously accelerating socialist construction, our people have liquidated centuries-long backwardness and poverty and, thus, have built an infinitely prosperous, rich, and independent country on this land. Today, our revolution is making a long drive, taking advantage of victory without the slightest degree of vicissitudes, and, as a result, the modeling of the whole society after the chuche idea has reached an extraordinarily advanced stage.

The great epochal changes in our country today are the noble fruition of the great leaderhsip of our party, which has led our people along the single road of victory with indomitable fighting spirit and courage.

By deeply mastering the greatness of the traits of leadership of the party and upholding and following the party's leadership with loyalty, we should more vigorously accelerate the complete victory of socialism in the northern half of the Republic and the independent reunification of the country and should consummate the cause of chuche to the end.

The course of our people's struggle embroidered with heroic events and epochal changes is precisely the history of our party's proud exploits of having led the revolutionary struggle and construction along the single road of victory and advance with indomitable fighting spirit and courage.

Socialist and communist construction for the realization of the popular masses' independence cannot always be carried out smoothly. It is always accompanied by an arduous and complicated struggle.

The great leader Comrade Kim Il-song has taught: "The revolution is accompanied by an arduous struggle, and the road of the revolution is to face difficulties and trials. ("Kim Il-song Selected Works," Volume 9, p 411)

The revolution is a difficult and complicated work to remold nature and to reform society in conformity with the popular masses' independent aspirations and demands. The struggle for the consummation of the socialist and communist cause of realizing the popular masses' independence is the struggle to overthrow the old exploiting system, to completely liquidate the remnants of the exploiting society, and to remold people, society, and nature in the communist way. It is also accompanied by the fierce class struggle to smash the desperate resistance and activities of the class enemies and hostile elements within and without. Without the heroic struggle of surmounting trials and difficulties, the victorious advance and consummation of the socialist and communist cause cannot be expected. Therefore, for the party of the working class to victoriously advance the socialist, communist cause of realizing the popular masses' independence, it is imperative to push ahead with all tasks in a revolutionary manner with indomitable fighting spirit and courage.

The strong will that the people display in the revolutionary struggle is an expression of their independent ideological consciousness. It is also the firm will and determination to pioneer their destinies by themselves. The courage that the people display in the revolutionary struggle is precisely the strength and mettle which create a miracle by boldly advancing forward without hesitation or trepidation, under any circumstances.

The strong will and courage are the source of power, which makes it possible to boldly surmount all sorts of difficulties and trials and, thus, lead the revolutionary struggle to victory. Therefore, the strong will and courage are the traits that the party of the working class and communists should have.

The Workers' Party of Korea [WPK], which was born amid the flames of arduous struggle, has unstintedly demonstrated its noble leadership traits of boldly overcoming all sorts of barriers and trials with iron-like, firm will and courage, thus creating miracles and changes.

The traits of the party of the working class are prescribed by its leadership traits. The leadership might of the WPK, which has led the revolution along the single road of victory with indomitable will and courage, is precisely the might of the lofty leadership traits of the respected and beloved leader Comrade Kim Il-song who is the founder and the leader [yongdoja] of the party.

The great leader Comrade Kim Il-song is the outstanding leader who has led the Korean revolution along the single road of victory and glory with iron-like will and matchless courage.

The respected and beloved leader Comrade Kim Il-song has wisely led our revolution from victory to victory, taking upon himself the heavy burden of the times and the revolution. The course of the great leader's sacred struggle for national liberation and for the country's prosperity and grandeur under the banner of the chuche idea has been not only the road of bloody struggle, but also the unprecedentedly awesome and complicated road of creation to sternly do away with old things and to pioneer and change everything anew. On the course of opening the new road of historic change, the respected and beloved leader has created the brilliant mode of the revolutionary leadership of boldly breaking through all sorts of difficulties with his iron-like will and courage—which no one can dare to have—and of leading the revolution to a great upsurge and victory.

The work of creating revolutionary changes and renovation while overcoming arduous trials can be accomplished only by the tested leadership of an excellent leader. The Korean revolution, which has overcome unprecedentedly arduous trials, has been able to consistently traverse the single road of victory and advance, because the great leader Comrade Kim Il-song has wisely led the revolution, while boldly breaking through all sorts of difficulties with his extraordinary leadership traits, iron-like will, and courage.

The course of the rewarding struggle in which our people have won great victory in the revolution for national liberation, the revolution for democracy, and the socialist revolution and in which they have vigorously accelerated socialist and communist construction is precisely the history of exploits in which the great change, prosperity, and grandeur unprecedented in our long history have been created.

All of the proud and dignified things unfolded on the land of the fatherland and all of the infinitely noble changes made in the people's lives—ideological, economic, and cultural—are directly related to the extraordinary leadership traits of the respected and beloved leader Comrade Kim Il-song who has brilliantly opened the victorious road of the revolution with his iron-like will and courage even under the difficult conditions in which the country is still divided due to the U.S. occupation of South Korea and, consequently, its situation has become tense all the time.

In the difficult postwar period when antiparty and counterrevolutionary factional elements directly challenged the party, the respected and beloved leader Comrade Kim Il-song—who achieved national liberation and led the fatherland liberation war to victory—smashed the challenge of these factional elements at one blow. Leader Comrade Kim Il-song thereby demonstrated his ever-victorious leadership might of effecting a great revolutionary upsurge. Even when the U.S. imperialists triggered adventurous incidents such as the incident of "Pueblo," an armed spy ship, and the incident of the "EC-121" spy plane and, using these incidents as an excuse, committed provocation maneuvers against us, the respected and beloved leader smashed the enemies' provocations with his dauntless and fearless courage and iron-like will and extraordinary and resourceful strategy and tactics and, thus, demonstrated the dignity and prestige of the country and the nation to the world.

The extraordinary leadership traits of the great leader Comrade Kim Il-song have not only been inherited intact by our glorious party in the course of the struggle for modeling the whole society after the chuche idea, but are also brilliantly beaming their rays today.

Our party, which inherited the lofty leadership traits of the respected leader Comrade Kim Il-song, is demonstrating its grand appearance as the revolutionary party that is constantly creating heroic exploits with iron-clad will and peerless courage, overflowing with vigorous energy and a militant spirit.

The might of the indomitable will and courage cherished by our party is being displayed in the fact that our party boldly designs and carries out all projects on a large scale.

Comrade Kim Chong-il, member of the Political Bureau Presidium and secretary of the WPK Central Committee, has indicated:

"It is an important demand of the communist work style and the party's work method to carry out the work on a large scale and to boldly push ahead with it."

It is the communist work style and the militant work method that the party of the working class should maintain to boldly design and carry out all projects on a large scale.

Having put forward the militant program on the chuche-orientation of the entire society, our party showed a brilliant leadership example by boldly carrying out and energetically pushing ahead with the struggle to realize it. With matchless courage and grand conceptions which amaze the world, our party has unfolded the work of remodeling men in a communist manner, the grand work of remaking nature, the work of constructing ever-lasting monumental creations, and the work of the grand construction march. Thus, it has led these struggles to great victory by operating them in a daring way and by organizing them in an assiduous manner.

The miraculous events and great reforms taking place today in our country are the outcome of the wise leadership of our party, which carries out all work in a bold manner with iron-clad will, matchless courage, vigorous fighting spirit and energy.

The gigantic scale and the speed of construction of the facilities for the 13th World Festival of Youth and Students, held for the first time in Asia, demonstrated the might of the revolutionary leadership of our party, which is leading the socialist construction along the single road of reform and exploits with strong will and courage and through a bold and large-scale operation.

Under our party's bold plans, courage, and refined leadership, as many as 260 large-scale construction projects, including the May Day Stadium with 150,000 seats, have been completed in Pyongyang in only the past two years, and the Kwangbok Street, the Street of Youth and the sports village, which will be handed down permanently together with the era of chuche, were built.

The indomitable will and courage cherished by our party are being vigorously displayed in our party's strong combat capabilities of excellently accomplishing any revolutionary task, no matter how great it may be, in the shortest period of time and on the highest standard by waging the speed battle.

The speed battle is a revolutionary work principle that enables one to carry out all work in a lightning manner and is a basic combat formula in the socialist construction. Only when the principle of the speed battle is correctly embodied, can the tasks be successfully accomplished in the shortest time and on the highest standard by fully demonstrating the zeal and boundless strength of the masses.

The party of the working class, which is leading the popular masses by taking the responsibility for their destiny, should not only put forward the correct lines

and policies but should also have the revolutionary work trait to thoroughly accomplish such lines and policies in the shortest time and at the highest level under any difficult circumstances. Herein lies the militant strength and temperament of the party carrying out the revolution.

By thoroughly embodying the principle of the speed battle in leading the socialist construction, our party achieved miraculous successes by excellently accomplishing huge tasks, which one cannot imagine with his common sense, in a short time and with the highest standard. Once our party makes a decision, it vigorously carries out the tasks and all large-scale work based on the principle of the speed battle. Thus, our party created a new march speed in the economic construction and effected revolutionary reforms one after another, drawing the admiration of the people of the world.

That our People's Army and the people attained a miraculous success in building the Sohae lockgate, the world's first-rate building structure of enormous magnitude, through their heroic struggle on a rough sea of 20 ri in a short period of five years was a shining fruition of the revolutionary leadership of our party, which exercised its wise leadership with its indomitable, firm will and pluck so that everything could be carried out brilliantly on the supreme level within the shortest period of time.

Our party, which has led the country's socialist construction along the road of a great upswing, creating an amazing speed of march, has thoroughly shown its refined leadership trait by carrying out unprecedentedly enormous tasks at the most superior level within the shortest period of time, through the 200-day campaign conducted twice, during the last year and during the first half of this year. These shining victories are the proud fruition brought forth by the might of our party's leadership and the great victory achieved in the embodiment of the revolutionary policy of the speed battle. This made it possible for the noble faith, which our people would not trade for anything—the firm faith that there cannot be any difficulties unsolvable or any fortress unoccupiable when they uphold the party's leadership—to take root deeper in the hearts of our people.

By vigorously conducting the movement of the great march to attain the 10 major prospective targets of socialist economic construction today, our party is creating a new history of a speed battle, adding luster to the eighties to make it an era of the most brilliant exploits in the socialist construction of our country.

The firm will and character of our party are also vigorously demonstrated in the ethos, which does not allow the slightest slack or standstill, which always opens a way to progress through struggle, and which allows continuous innovations and advances.

Not allowing slack or standstill, opening a way to progress through struggle, and making continuous innovations and advances is the work ethos and revolutionary trait to be maintained by communists and the working class party.

For the working class party to fulfill the arduous revolutionary cause that lasts for a long time, we should maintain the stubborn ethos, upholding the struggle banner, of not allowing the slightest slack or standstill, opening a way to progress through struggle, and effecting continuous innovations and advances. If struggle is abandoned by the party, the militant vanguard organization leading the revolutionary struggle, slack and standstill in society will be unavoidable and we will not be able to advance the revolution. When the party keeps upholding the banner of the revolution and opens a way to progress through struggle, it can give the people hope for the future, faith in victory, and courage, and can incite them to make a vigorous magnificent march for the victory of the revolutionary cause.

Effecting continuous innovations and advances toward a new high target, while opening a way to progress through struggle, is the principle that our party has maintained consistently. Because of this, our party is highly demonstrating its honor and might as a party engaging in the revolution and struggle, continuous new changes are taking place in our country, and our people's revolutionary cause is advancing at an exceptionally rapid speed.

Today the exceptionally large-scale construction projects are being pushed ahead on the road to model the entire society on the chuche idea, bringing forth new changes every day before the country. This proud reality has been achieved by our party, which opens a road of advances through struggle with an indomitable will and unmatched character and wisely leads the people along the road of continuous innovations and advances.

Also, the indomitable will and character of our party is intensively expressed as it counters the antirevolutionary offensive with the revolutionary offensive.

It is the traditional leadership trait of our party to counter an antirevolutionary offensive with a revolutionary offensive and lead the revolution and construction toward continuous upsurges.

How to cope with an antirevolutionary offensive becomes a fundamental problem in determining the revolutionary position of the working class. Only when we counter an antirevolutionary offensive with a revolutionary offensive, can we thoroughly crush the maneuvers of the imperialists and the reactionaries, defend the revolutionary gains, and vigorously advance the revolutionary cause.

The resolute position of countering an antirevolutionary offensive with a revolutionary offensive presupposes high revolutionary principles and an indomitable firm will and pluck. Without an indomitable revolutionary

spirit, stubborn will, and bold character, we cannot crush an antirevolutionary offensive with a revolutionary offensive, nor can we lead the revolution to continuous upswing.

The entire course our revolution has traversed has been that of an arduous struggle of crushing the antirevolutionary offensive of the imperialists and all forms of reactionaries with a revolutionary offensive and leading the revolution and construction along the single road of victory and advance. Today the revolutionary struggle of our people is being carried out in a very difficult and complicated environment in which the antirevolutionary challenge of the U.S. imperialists and the South Korean reactionaries are being continuously stepped up and the counterrevolutionary trend is prevailing.

Whenever the maneuvers of the imperialists and all forms of reactionaries were intensified and the situation of the revolution within and without grew complicated, our party firmly maintained a resolute position of anti-imperialism and the revolutionary position of the working class, so that it could vigorously advance the revolution and construction.

Because our party has this leadership trait, it is vigorously accelerating the great socialist march today, resolutely crushing the frenzied anticommunist, anti-Republic commotions of the imperialists and the reactionaries, and is changing the prevailing grave situation to one favorable for the advance of the revolution.

Our party is thus highly demonstrating its invincible might as a revolutionary party of indomitable will and character, militant spirit, and overflowing vitality that actively overcomes any difficult trials and brilliantly opens a road of victory. Our party is being strengthened into a militant party of indomitable firm will and character because it has an endless loyalty to the chuche revolutionary cause and the noble revolutionary spirit.

The working class party's leadership trait and struggle ethos is, above all, the manifestation of the loyalty to the revolutionary cause and the revolutionary spirit.

Our party has the endless loyalty to the chuche revolutionary cause and the indomitable revolutionary spirit determined to complete the revolution and construction to the end thoroughly with the strength of our people and in our own style. Our party makes it its fundamental mission to complete the chuche revolutionary cause and leads all work and activities to this end. Completing the chuche revolutionary cause purely to the end is our party's noblest mission and its unswerving iron will.

Our party is also a great party with the indomitable revolutionary spirit which overflowed in the Paektu forest during the glorious era of anti-Japanese revolutionary struggle that pioneered the bright future of the Korean revolution. This is why our party has a firm will and unmatched character as a major characteristic of its leadership trait.

Our party's indomitable will and character are also based on the absolute trust in the strength of the popular masses.

Our party is an outstanding and refined guide that always and absolutely trusts the strength of the popular masses and creates miracles and changes based on their united strength.

This trust in the strength of the popular masses is a starting point of all the activities and an unswerving faith of our party. Our party has a firm position that the fundamental factor for the successful solution to all problems rests with the people's popular masses, and makes it its consistent leadership principle to carry out the revolution and construction by inciting the inexhaustible strength of the popular masses.

The popular masses have an enormous strength that no individual can exert, a strength that can remake and change the world in conformity with their aspirations and demands, and have the rich experience they accumulated over a protracted history.

Whenever a difficult situation was created and difficult tasks emerged, our party overcame the trials and successfully advanced the revolution and construction by trusting and depending on the strength of the working class and the popular masses.

The sublime relations of trust formed between the party and the popular masses and the firm unity and cohesion based on such relations are the source of the strength of our party that overcomes any tempestuous trials of the revolution with iron will and determination and continues its victorious advance.

The might of the leadership of our party that has indomitable will and determination is the shining symbol of the outstanding leadership art of dear Comrade Kim Chong-il and of his sublime leadership traits. Because of his wise, outstanding, and refined art of leadership, our party is highly enjoying its might as a revolutionary party with ever-victorious militancy and leadership might, and is guiding with confidence the rewarding struggle to complete the chuche revolutionary cause along the ever-victorious road.

Because dear Comrade Kim Chong-il leads them wisely with his sublime leadership traits, our people vigorously advance the revolution and construction without the slightest letdown or standstill, scoring great victories in socialist construction. It is the greatest honor and pride for the Korean communists and people to carry on the revolution following the guidance of the mighty party that leads the cause of socialist construction along the single road of victory and advance always upholding the red banner of the revolution and with firm will and determination. Cherishing this endless pride and self-respect deep in our hearts, we should make a more vigorous advance while firmly rallying around the party and the leader.

All functionaries, party members, and working people should firmly establish their revolutionary outlook based on the leader and thoroughly embody the great leadership traits of our party whose invincible might and vitality have been thoroughly demonstrated in actual struggle.

Deeply learning our party's leadership traits and overflowing with iron will, courage, and the revolutionary spirit is all the more important in view of the situation of our revolution within and without and the unprecedentedly lofty revolutionary task assigned to us.

The situation of our revolution within and without is very tense and complicated. The U.S. imperialists and the South Korean reactionaries have been further escalating the anti-Republic maneuvers from various angles, extremely aggravating the situation on the Korean peninsula. The U.S. imperialists and the South Korean puppet clique are accelerating new war preparations. Maneuvering to permanently divide our country and nation, which constitutes one stretch of land sharing one blood vein, they are viciously pursuing "nordpolitik."

The imperialists' anticommunist and antisocialist commotions are also intensifying more than ever. For their own filthy purposes, the imperialists are attempting to demolish from within some socialist countries, taking advantage of the difficulties these countries are temporarily experiencing.

Even though the prevailing situation is tense and complicated, we should never slow our advance. Despite the increasing tension and complexity of the situation, we should muster up our revolutionary fighting spirit and pioneer the road of victory with more courage and in larger steps. This is the revolutionary position and attitude of our party and people.

An unprecedentedly tremendous task of socialist construction is assigned to us. We should further accelerate the march for socialist construction to brilliantly fulfill the tremendous Third Seven-Year Plan and expedite the complete victory of socialism and the cause of the fatherland reunification.

We should uphold the banner of the revolution, the banner of socialism, and thoroughly crush the anti-Republic and antisocialist maneuvers of the imperialists and the reactionaries so as to more vigorously carry out the great march of socialism.

It is our people's noble struggle ethos to daringly overcome any difficulties and brilliantly realize the great idea and the resplendent plan put forward by the party to advance toward a new victory in high spirit. We should effect continuous upsurges in socialist construction with indomitable fighting spirit and determination and militant spirit so that we may brilliantly fulfill the Third Seven-Year Plan and accelerate the complete victory of socialism and highly demonstrate the dignified appearance and spirit of chuche Korea.

We should make a vigorous advance upholding the wise leadership of the great leader Comrade Kim Il-song and dear Comrade Kim Chong-il so that we can score greater victories in socialist construction.

Building of Socialism Based on Chuche Idea

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[Text] Pyongyang February 26 (KCNA)—Korea builds socialism on the basis of the chuche idea, stresses the Egyptian paper AL-MASSA [as received] February 19, giving an account of the Korean ambassador's interview with a reporter of the paper. The paper says: His excellency Kim Chong-il is triumphantly following the course of victories won by President Kim Il-song in the way of the prosperity and progress of the Korean people.

The chuche idea is the idea founded by President Kim Il-song—it is based on the philosophical principle that man is the master of everything and decides everything.

The Korean people who take the chuche idea as the guideline have registered brilliant successes in all domains by embodying the principles of independence in politics, self-sustenance in the economy and self-reliance in national defence.

The paper points out that the three revolutions, ideological, technical and cultural, are being carried on in Korea.

Recalling that the Democratic People's Republic of Korea proposed overtures for reunification on more than 200 occasions from the first day of national division, the paper introduces the content of the proposal to found the Democratic Confederal Republic of Koryo set forth in 1980.

In his New Year address President Kim Il-song put forward a new reunification proposal to bring a fundamental turn in the way of national reunification, the paper notes, adding:

The keynote of the overture is to pull down the concrete wall built in the area South of the Military Demarcation Line and ensure free travel and a full-scale open door between the North and the South.

Article Summarizes Guidelines for Living

SK2202043590 Pyongyang KULLOJA in Korean No 10, Oct 89, pp 15-20

[Article by Ko Hak-chon: "Living in Our Own Way Is the Strategic Guideline to Which Our Party Consistently Adheres"]

[Text] For a long period, over half a century, our revolution has energetically advanced and triumphed following the chuche line.

The proud course of our revolution, which has vigorously advanced straight ahead along the road of victory

even under the most difficult and complicated circumstances, and the convulsive events that have taken place on that road cannot be thought of apart from the unique guideline on living in our own way, to which our party consistently adheres. The party's guideline on living in our own way is a firm guarantee and a basic factor for the completion of our revolutionary cause.

The party's strategic guideline on carrying out revolution and construction in our own way is the source of strength that guarantees the vitality of our revolution. It is the banner of struggle. This is the rock-firm will, the faith our people carried engraved deep in their hearts as they carried out the long, arduous, and complicated revolutionary struggle.

By firmly grasping our own style of revolutionary method to which our party consistently adheres and brilliantly embodying it in revolution and construction, we shall achieve the complete victory of socialism in the northern half of the republic and advance the independent, peaceful reunification of the fatherland and bring closer the completion of the chuche revolutionary cause.

To live in our own way is the strategic guideline to which our party has consistently adhered in revolution and construction.

Comrade Kim Chong-il, member of the Presidium of the Politburo of the Central Committee of the Workers Party of Korea [WPK] and Secretary of the Central Committee, pointed out as follows:

"'Let us go on living in our own way!' is indeed a strategic slogan which our party is setting forth today as a matter of consequence."

Living in our own way means to think and act with our wits about us according to the demands of chuche thought and to resolve all things by our own efforts so as to benefit our revolution and our people.

The party's strategic guideline concerning living in our own way is a unique guideline based on the ideological foundation of chuche thought. It is a revolutionary guideline that convincingly proved its justness and might through the conduct of our revolution, which has triumphed and advanced under the banner of chuche thought.

Only by gloriously carrying out the revolutionary guideline of living in our own way can we hasten the advance and revolutionary development of the chuche era and successfully accomplish the cause of socialism and communism without any kind of deviation.

The reason living in our own way is a strategic guideline we should consistently adhere to in revolution and construction is that it generally embodies the basic standpoint to which we must adhere in the revolutionary movement.

For a certain idea to be the strategic guideline of the party it must broadly embody the basic stance that must be firmly adhered to through the entire period of revolution and construction.

An independent, creative stance is the basic stance to which we must firmly adhere in our revolution and construction.

To go on living in our own way thoroughly embodies the basic stance of the revolution.

First of all, it embodies the independent stance that flows from the intrinsic nature of the revolutionary movement.

The revolutionary movement arises from the independent aspirations and demands of the popular masses and is accomplished by the popular masses themselves. In every respect the main body of the revolution is the popular masses. That being the case, the popular masses should properly maintain an independent stance in the revolutionary movement. Only by adhering to an independent stance can all problems arising in revolution and construction be solved to the benefit of the popular masses. Only then can the popular masses defend their rights and carry out their responsibility as masters of the revolution and construction.

Living in our own way basically consists of thinking and acting with our wits about us according to the demands of chuche and dealing with all problems according to our own individual opinions, judgment, and determination, with the interests of the people as the point of departure. In addition, its basic point is that one assume responsibility for solving all problems in revolution and construction under the principle of self-reliance.

This tells us that living in our own way thoroughly embodies the independent stance that flows from the essence of the revolutionary movement. In other words, it tells us that living in our own way is indeed a most accurate revolutionary method that enables us to brilliantly achieve the essential demands of the revolutionary movement with respect to thinking and acting with our wits about us and deciding all problems according to our own individual opinions and beliefs and solving them by our own efforts under the principle of self reliance.

Living in our own way also thoroughly embodies the creative stance that flows from the nature of the revolutionary movement.

The revolutionary movement is a creative movement of the popular masses. The demand of the popular masses to live and develop independently—casting off all sorts of restraints and restrictions of nature and society—is attained through creative activity. This tells us that the revolutionary struggle of the popular masses for independence is creative in nature.

This kind of creative nature of the revolutionary movement requires that the popular masses hold to their

creative stance in revolution and construction. Only by adhering to a creative stance can the popular masses heighten their creative powers and seek out methods suitable to reality and dynamically push ahead revolution and construction.

One of the major components of living in our own way is to solve all problems arising in revolution and construction on the basis of the creative wisdom and strength of the popular masses and solve them in conformity with the level of preparation and requirements of the people of the country and the objective and subjective conditions of the revolution. Moreover, it also creatively compares the progressive working class's revolutionary theory with the experiences of other countries. This shows that living in our own way thoroughly embodies the creative standpoint that flows from the character of the revolutionary movement.

As we see from the preceding points, living in our own way is a revolutionary guideline that thoroughly embodies an independent and creative stand. It serves as a firm guarantee, a banner of struggle that enables us to successfully accomplish revolution and construction. This is an important reason why living in our own way is a strategic guideline—a guideline to which our party of the working class must adhere consistently, for our party is struggling to achieve the cause of sovereignty of the popular masses, as well as the cause of socialism and communism.

Next, living in our own way is a strategic guideline to which we must consistently adhere in revolution and construction because it most accurately reflects the rational demands of the development of our age's revolutionary movement.

The revolutionary struggle of our age is being pressed forward country by country, by national units formed on the basis of nation states. On the other hand, the cause of world revolution is achieved by the revolution's emerging victorious in each country and success being achieved in the building of new societies.

Such an inevitable process in the development our age's revolutionary movement requires that each country's party and people accomplish their own country's revolution independently and creatively.

Living in our own way is the genuine revolutionary method that enables our country and people to carry out revolution independently and creatively.

Of course, in waging revolution there can be no fixed, unchanging formula, no prescription that suits every age and every society. In mathematics there are formulas, but in waging revolution there can be no immutable formulas. If there is a formula that must be observed in waging revolution, it is that all problems must be thought out with our wits about us and dealt with by our own efforts.

Living in our own way is indeed a revolutionary method, a firm guarantee for dynamically advancing our age's revolutionary movement by communists thinking and judging with their wits about them, all problems arising in revolution and construction with a firm chuche-oriented standpoint and solving them by their own strength so as to suit the actual situation of their country.

Living in our own way is a revolution method that enables our party and people to be faithful to world revolution and heighten proletarian internationalism by enabling them to do a good job of revolution and construction.

We cannot speak of world revolution apart from our country's revolution and, without accomplishing the national duty of revolution, we cannot be faithful to our international duty. By successfully accomplishing our country's revolution and construction with a chuche-oriented stance, our party is strengthening world revolutionary forces and further consolidating the solidarity of proletarian internationalism.

Indeed, living in our own way is a revolutionary method that meets the inevitable development requirements of our age's revolutionary movement and the principle of proletarian internationalism. Here is yet another reason that a living in our own way is a strategic guideline that must be firmly adhered to in revolution and construction.

Our country's practice of revolution proves clearly that living in our own way is a strategic guideline that must be adhered to in revolution and construction.

Practice is an important gauge for proving the scientific nature and power of ideology and revolutionary method.

The glorious course of our revolution, which is filled with great historical events and grand creations and transformations, shines as a victorious history because our party has solved all problems arising in revolution and construction in our own way.

Our party regards living in our own way as a key issue that impacts on the success of revolution and construction and has opposed flunkeyism and dogmatism from the early stages of leading the revolution. Our party also has firmly adhered to the principle of solving in our own way all problems to suit the interests of our people and the actual situation of our country.

After the liberation, which road the people should follow and in which manner they should wage the revolution and develop their society were life or death problems related to the future of the Korean revolution and the destiny of the nation. We were liberated, but in our country backward, semi-feudal social relations remained as before. Some people ignored this reality and boasted that we should go along the capitalist road, while some people clamored that we must have a socialist revolution at once. Nevertheless, under conditions existing at that

time we could not set up a capitalist society and neither could we skip over the historical stage and immediately build socialism.

The great leader Comrade Kim Il-song, basing his decisions on scientific insight into the complex reality of the liberated fatherland, put forth our own kind of unique line—the democratic revolution line—and organized and led our entire people in the struggle to carry it through. Thus, a new form of people's government was established in our liberated fatherland and land reform and various other democratic reforms were successfully accomplished in a short period of time. A people's democratic system was firmly established and a great turnaround was achieved in which a solid foundation was laid for advancing toward socialism.

The great leader also solved in our own style, in accordance with our country's actual situation, the problems of reforming the postwar production relations along socialist lines.

Existing theory and experience held that one could carry out the collectivization of agriculture only if the country's industry developed to the level where it could furnish machinery to the rural areas. However, our party, proceeding from our country's concrete reality, put forth the chuche-oriented guideline on reforming the form of management in a socialistic manner before the technological reform of the rural economy and implemented it in our own way. Also, in solving the problem of small and medium businesses and wealthy farmers, our party did not follow the existing theory that held that the exploiters should be exploited. We chose instead the unique path of remolding them by including them in the cooperatives.

Our party resolved in our own way the problem of achieving socialist industrialization and consolidating the results, the problem of solving the socialist agrarian problem, and the problem of the socialist management system. It also created a history of great transformations in building a socialist economy and culture by solving in our own way those problems arising in the field of building socialist culture. We have created an independent, self-reliant, self-defending socialist power here, where after the war only ashes remained. We have developed a great golden age of chuche arts by solving all problems arising in revolution and construction in our own way under the wise leadership of the great leader and the dear Comrade Kim Chong-il.

Life dynamically proves that indeed the most fair and genuine revolutionary methods comprise our own kind of revolutionary method in which all problems arising in revolution and construction are resolved so as to suit the interests and realities of one's own country without sticking to some kind of accepted formula or existing theory. Our party's guideline concerning living in our own way is indeed a unique guideline whose justness and might forcefully proven through the practice of revolution. It is a banner of struggle that the party of the working class and the people must firmly grasp in order to successfully accomplish their own historical cause.

As in days gone by, in the future we also must firmly grasp the party's revolutionary guideline concerning living in our own way in all fields of revolution and construction, and we must accomplish our goals brilliantly.

On the basis of a scientific insight into the inevitable demands of today's prevailing situation and revolutionary development, our party is setting forth as its strategic guideline the militant task of living in our own way and thoroughly embodying it in all fields of revolution and construction.

Precisely here—in continuing to hold high the revolutionary banner of chuche thought and living in our own way—is the real path that will continue to brilliantly open up our nation's destiny and future prospects, and the firm guarantee for the ultimate conclusion of the Korean revolution.

Particularly today, living in our own way is an important issue in successfully pressing ahead with the building of socialism and communism by taking the initiative in dealing with the complexities of the prevailing revolutionary situation.

Comrade Kim Chong-il, member of the Presidium of the Politburo of the Central Committee of the WPK and secretary of the Central Committee, pointed out as follows:

"The prevailing situation urgently demands that we cope with the aggressive machinations of the U.S. and Japanese imperialists and the South Korean puppet clique. It also demands that we maintain a state of full readiness and, more than ever before, we must firmly establish chuche and go on living in our own way."

Today the internal and external situation of our revolution is very complex and complicated.

The U.S. imperialists and the puppet clique are suppressing the anti-U.S. and anti-"government" feelings of the youth, the students, and the people. The U.S. imperialists and the puppet clique are frenziedly trying to crush the forces behind the unification of the fatherland, and they are lying in wait for an opportunity to once again launch an aggressive war of provocation against the northern half of the peninsula. The U.S. imperialists are rallying together the forces of the Japanese reactionaries and the world imperialists. They are concentrating their arrows of attack on opposing our country and scheming to defame our republic and isolate us internationally. The U.S. imperialists and the South Korean puppet clique are the root cause of all the misfortunes and sufferings of our people and the basic obstacle blocking the advance of our chuche revolutionary cause.

The cause of sovereignty of mankind in the present era also is colliding with the severe challenge of the imperialists, who are trying to reverse the basic trend of our

times. The imperialists, in collusion with one another, are opposing with their combined strength the world forces of independence and maneuvering more cunningly and viciously to break up socialism—the core force of anti-imperialism—and strengthen their domination and exploitation over the developing countries. The imperialists are noisily making a fuss about "peace" and "force reductions" while expanding military expenditures and accelerating preparations for a nuclear war. They also are unscrupulously and boldly carrying out interventionist schemes and plots to overthrow other countries, hiding behind the words "detente" and "dialogue."

Under these conditions, only if the party of the working class and the people, who are waging revolution, think and act with the correct mental attitude can they correctly analyze and judge the trends of the complicated prevailing situation and cope with them. The party of the working class and the people must vigorously press forward with revolution and construction, moving straight along the road to victory with no deviation. If the party of the working class does not think and act with the right mental attitude, they become inconsistent in formulating lines and policies and they cannot avoid pain and vicissitudes in revolution and construction, later falling victim to irreversible aftereffects. It is by no means a coincidence that today some countries have abandoned revolutionary principles and are dragging capitalism into their country, dazzled by the moneybags the imperialists are dangling in front of them. These countries are rolling down the road of betraying socialism.

The historical experience of the international communist movement shows us that unless the party of the working class firmly sets up individual principles and self-reliant beliefs, one cannot successfully advance the revolution and construction.

Therefore, in order to take the lead in coping with the complex prevailing revolutionary situation and vigorously press forward revolution and construction without the slightest deviation or vicissitudes, we must brilliantly carry out the party's revolutionary guideline on living in our own way. Only by so doing, no matter how complicated the revolutionary situation develops, we can adamantly defend and protect the revolutionary principles and viewpoint of the working class and successfully accomplish the cause of socialism and communism.

Above all, the important thing in carrying out the party's guideline on living in our own way is to protect and defend the achievements attained by our party in the struggle to embody the immortal chuche thought, and to gloriously inherit and develop them.

We have the unique policy lines and guidelines set forth by the great leader and the dear Comrade Kim Chong-il in the course of leading the revolution and construction under the banner of chuche thought and we have the precious model of the work method they personally created. This is the precious asset of our party and revolution and the well spring of the strength that propels the victorious advance of the chuche revolutionary cause.

Only by thoroughly protecting and defending glorious works achieved by our party is it possible to successfully accomplish without deviation the cause of socialism, the cause of communism, and the cause of chuche.

We must see to it that all party members and workers gloriously embody in the political, economic, and cultural and all other fields the precious achievements of our party created under the wise leadership of the great leader and the dear Comrade Kim Chong-il.

A particularly important problem arising in protecting and embodying the previous achievements of our party is to firmly grasp all of our party's lines and policies—starting with the guideline on transforming the whole society with chuche thought, the line of the three revolutions, the guideline concerning firmly guaranteeing the leadership of the party over revolution and construction, the chongsan-ri spirit, the chongsan-ri method, and the taean work system—and to gloriously carry them out. The guideline on transforming the whole society with chuche thought, the line of the three revolutions, the guideline concerning firmly guaranteeing party leadership over revolution and construction, the chongsan-ri spirit, the chongsan-ri method, and the taean work system are the most scientific guiding directions of socialism and communism. They were created by the great leader Comrade Kim Il-song and the dear Comrade Kim Chong-il in the course of leading the revolution and construction. In these guidelines are gloriously embodied our chuche-oriented stand concerning waging revolution in our own way.

When we firmly grasp our party's original policy lines and guidelines and thoroughly carry them out, we can gloriously embody the party's strategic guideline concerning living in our own way in all fields of revolution and construction and successfully accomplish it without any kind of deflection in the cause of socialism and communism.

An important problem that arises when carrying out the party's guideline on living in our own way is strengthening indoctrination in chuche thought among party members and workers while enabling them to possess the firm stand and viewpoint that we must, by all means, achieve our revolutionary cause by our own efforts.

Possessing the chuche-oriented viewpoint and revolutionary ethic that we must by all means achieve the revolutionary cause by our own efforts is an important requirement for living in our own way and a real guarantee for successfully accomplishing the revolution and construction. Only if we possess the firm chuche-oriented viewpoint and revolutionary ethic that we must by all means achieve the revolutionary cause by our own efforts can we highly display chajusong and creativity

and resolve all problems arising in revolution and construction by our own efforts so as to suit the actuality of our own country.

If party members and workers are to possess a firm chuche-oriented viewpoint and revolutionary ethic, they should firmly arm themselves with chuche thought. Chuche thought is the revolutionary world view of the working class. Only by arming ourselves with chuche thought can we firmly establish a revolutionary viewpoint.

We must further strengthen indoctrination in chuche thought among party members and workers and have them make the party's revolutionary thought, chuche thought, their own conviction, and have them highly display the revolutionary spirit of working out their salvation by their own efforts.

Another important thing needed to carry out the party's guideline concerning living in our own way is the act of vigorously waging a struggle to oppose outmoded thought—thought such as flunkeyism, dogmatism, and revisionism.

Outmoded thought such as flunkeyism, dogmatism, and revisionism is an ideological toxin: It eats away at people's independent ideological consciousness and paralyzes their revolutionary struggle ethic. If one becomes polluted with outmoded thought such as flunkeyism, dogmatism, and revisionism, one loses originality in thought and practice. Egoism is fostered among the people, a carefree attitude arises, and even a bourgeois-type lifestyle becomes prevalent in society. Also, people come to look upon others with envy, the next day others, and regard their things with contempt while making much of what others have. It is a lesson of history that if people become polluted with outmoded thought such as flunkeyism, dogmatism, and revisionism, it will cause the severe result of eating away at socialism and reviving capitalism.

We must prevent outmoded thought such as flunkeyism, dogmatism, and revisionism from taking root and surviving among party members and workers, and we must carry out an endless ideological struggle to thoroughly resist it. We must correctly make party members and workers cognizant of the intrinsic nature and the poisonous nature of flunkeyism and revisionism and have them recognize them in time and thoroughly overcome them.

Living in our own way is the steadfast will of which intends to complete from generation to generation, following the banner of chuche thought, the Korean revolution that great leader Comrade Kim Il-song pioneered in the forests of Paektu. By upholding the party's strategic guideline on living in our own way and carrying it out more thoroughly, we will gloriously achieve the lofty intent of the glorious party center.

Editorial Emphasizing Coal Production Cited

SK2602014590 Pyongyang Domestic Service in Korean 0007 GMT 12 Feb 90

[NODONG SINMUN 12 February editorial: "Let Us Keep Expanding the Results Obtained on the Coal Front"]

[Text] Some time ago, the coal mining industry obtained the goal of coal production work put forth by the party and all coal mines throughout the country brilliantly carried out the January projects. This is a proud success which gives confidence to all of our party members and working people who are vigorously accelerating the advance of the first year of the 1990's, upholding the New Year address of the great leader Comrade Kim Il-song and the decision of the 17th plenary session of the sixth party Central Committee.

Comrade Kim Chong-il, member of the Political Bureau Presidium and secretary of the party Central Committee, has noted: To increase the production of coal is very significant in normalizing the production in various fields of the national economy and in improving the life of the people.

Now, more coal is demanded by the various domains of the national economy in which the struggle to create a new speed battle of the 1990's is vigorously launched according to the party's militant call and in which the flames of the great revolutionary upswing is dynamically kindled.

In conformity with a developing reality, the smoother production and providing of coal for the needs of industry is an important issue which decides today's all-out advance speed. Proceeding from the significance of increasing coal production, our party raises the issue of increasing coal production as a key one which we should adhere to in current socialist economic construction, and it concentrates great efforts on the increase of coal production. Under these circumstances, the proud success effected by the working class and functionaries in the coal mining industry is genuinely valuable.

As a result of the coal mining industry's domains, which are in the forefront of the national economy, they were the first to take the initiative to obtain the goal of coal production work put forward by the party and successfully carried out the January projects, electricity production is now increased and all domains of the national economy, including the metal industry, are more energetically advanced. This is a very good result. In addition, this shows that only when priority is firmly given to the extraction industry and when an innovation is effected in this domain can the flames of a new great revolutionary upswing be kindled in all domains of the national economy.

Our party expects functionaries and working people in the coal mining industry to maintain the goal of the coal production which is already obtained, expand this result, and keep advancing in the van of today's all-out march.

All the functionaries and working people in the coal mining industry, taking great pride in the splendidly embroidery of the first advance of the 1990's, should vigorously launch the struggle further to increase coal production. Basic to this end is the continued maintenance of the level which has already been obtained and to constantly expand coal production.

The functionaries and working people in the coal mining industry, not content with the result, should energetically kindle the flames of the great upswing in coal production on the basis of success already effected and experienced.

What is valuable in the success effected through the first month of the new year is, first of all, that only when the functionaries and working people in the coal mining industry become determined and turn out with a burning loyalty toward the party can the goal of coal production, which they pledged to the party, be obtained without fail.

In the first month of this year, all coal mines across the country fulfilled their production quotas, which considerably increased over the same month of last year. Some days they produced almost 30,000 tons, which is more than the daily coal production goal set forth by the party. This tells us that the potential of the coal industry sector is very great and also shows that when functionaries and the working people in the coal industry sector devotedly wage a struggle to mobilize and utilize production capability to the maximum, which has already been provided, with a firm determination, they can create an unimaginable miracle.

Functionaries, party members, and working people in the coal industry sector should resolutely struggle to further increase coal production in conformity with the demands of the exciting era which, while creating the new speed of the nineties, should effect a great revolutionary upsurge, taking the party's decision as their absolute standard, like the working class of Kangson in the period of the great chollima upsurge in the past. In particular, the working class and functionaries in coal mines should find more reserves for increased production and economization and should fulfill, without fail, their assigned coal production quotas by the day, by the ten-day period, by the month, and by the quarter by unstintingly displaying mass heroism and creative positiveness with a firm revolutionary spirit of "we will do it once the party has determined it." Thus, they should implement the determination that they have made before the party.

Naturally, in the course of fulfilling coal production quotas, many difficult problems can arise and unexpected obstacles can be encountered. Therefore, functionaries and the working people in the coal industry sector should display a higher revolutionary spirit of self-reliance and fortitude and, thus, break through these difficulties and obstacles. No matter how complicated and difficult the tasks assigned to their units and outposts may be, functionaries and the working people in the coal industry sector should not rely on the higher echelons or put blame on the conditions they face, but should vigorously struggle, proceeding from the stand of solving everything with their own strength even if the higher echlons do not supply the necessities, although it would be better if the higher echelons did supply them. Thus, they should continue to display a higher revolutionary ethos of unconditionally fulfilling the tunneling task and the coal extracting task assigned by the party.

What should be done for the success in coal production is that guidance functionaries should mingle with coal miners to spur the masses of coal miners and should organize the battle of coal production in a revolutionary manner.

The slogan "Let the entire party go in among the masses" is a slogan that our party has consistently emphasized. Today when a great revolutionary upsurge is being effected, our party demands that all party organizations and functionaries go deeper among the masses. The innovative successes registered in coal production vividly show again precisely the correctness and vitality of the party's policy calling for the entire party to go in among the masses in conformity with the demands of the Chongsan-ri spirit and the Chongsan-ri method.

After the party's plenary session, all guidance functionaries at the center and guidance functionaries in local areas and coal mine complexes went down to coal mines as called for by the party, informed coal miners of the party's demands, solved all knotty problems in a timely manner, and hand in hand did shift work together with them.

The producer masses are to follow those functionaries who go down to lower echelons and are setting examples, rather than those functionaries who do nothing but talk.

All guidance functionaries in coal mines should go in deeper among coal miners in the blind ends in mine galleries and should ignite the flames of struggle in the hearts of coal miners by directly working with rock drills and provide them with a good example. In the coal mines, including the Sunchon district coal mine complex, which registered a great success in the battle of the first month of this year, party organizations and guidance functionaries alike properly carried out their combat organizational and command work in conformity with the upsurging zeal of the masses.

All functionaries who guide coal production should thoroughly grasp the overall situation of coal production and should minutely and thoroughly plan and supervise the work of supplying manpower, facilities, and materials and the work of their utilization so as to see to it that efficiency is enhanced to the maximum in all faces, coal cutting sites, and the coal transport sector.

Experience shows that the constant increase in coal production lies in coal mines thoroughly implementing the demands of the party's policy on coal production. Party organizations and guidance functionaries in the coal industry sector should give priority to tunneling and

stripping, supplying enough small coal extracting tools, and properly carrying out rear-area supply work for coal miners. Thus, they should firmly grasp the party's policies presented to coal mines and thoroughly implement them.

The innovation that we effected in coal production last month was thanks to the fact that all sectors of the national economy properly carried out the work of supporting the coal production front last month. Last month, in many sectors of the national economy, a good ethos of loyally upholding and following the great leader Comrade Kim Il-song's teaching and the decision of the party's plenary meeting and of supplying facilities and materials to coal mines with priority was displayed. The Chollima Steel Complex properly supplied steel wire rope and various types of steel materials to coal mines. The metal industry sector, the power industry sector, the forestry industry sector, and many other sectors extensively waged the work of supporting coal mines. Provinces also sent a large number of materials, including small tools, to coal mines. Such nationwide support work for coal mines last month made it possible to vigorously encourage coal miners and to maintain coal production at a high level.

All sectors and units responsible for the supply work for coal mines should carry out the work of supporting the coal front in a responsible manner by deeply keeping in mind that only when coal is produced can electric power be produced and, consequently, can all plants and enterprises regulate their production at a high level. In particular, they should produce and supply facilities and materials, including extracting equipment, blasting materials, rolled steel materials, and propping timbers, in a timely manner. The railway sector should transport these facilites and materials as well as extracted coal in a responsible manner. Thus, all sectors of the national economy should see to it that the coal industry sector smoothly develop and that the flames of the new great upsurge of the nineties blaze up more dynamically.

KCNA Reports Development of Vinalon Industry

SK2802104490 Pyongyang KCNA in English 1002 GMT 28 Feb 90

[Text] Pyongyang February 28 (KCNA)—Korea continues directing great efforts to the development of the vinalon industry.

The annual production capacity of vinalon which had been 50,000 tons jumped sharply with the completion of the first-stage construction of the Sunchon Vinalon Complex with a 100,000 ton capacity.

The great leader President Kim Il-song said:

"The vinalon industry is a fine example of our chuche-orientated industry which our party has developed by using limestone and anthracite abundant in our country as raw materials and relying on our own techniques and efforts."

The history of the development of the vinalon industry is deeply associated with the wise leadership of President Kim Il-song and the Workers' Party of Korea.

President Kim Il-song who found a better solution to the people's clothing problem in industrializing vinalon took all necessary steps to complete the researches into vinalon in the difficult period of the fatherland liberation war (1950-1953).

After the war he saw to it that the large-scale February 8 Vinalon Complex was built with home design, technique and efforts.

Vinalon was invented by Dr. Yi Sung-ki.

Vinalon is far greater than cotton, staple fibre and nylon in tensile strength and frictional resistance and resists well heat, acid, alkali and other chemicals as well as sunlight and salty water.

Vinalon cloth is durable and warm and almost immune to microbes. It is best in the absorption of water among chemical fibres.

With the advantages of vinalon guaranteed scientifically by intensive scientific researches, the demand of the national economy for it has grown day by day.

President Kim Il-song initiated the construction of a vinalon production base with a 100,000 ton capacity in reliance upon the nation's solid economic foundations and chose Sunchon blessed with rich deposits of anthracite and limestone as its site.

Dear Comrade Kim Chong-il organized a powerful construction force with Korean People's Army soldiers and builders from various construction complexes as its backbone and indicated the orientation and ways of accelerating the project at the fastest speed on a high qualitative level.

He also set the main targets of the construction and its timetable. He made it sure that efforts were concentrated on those targets and the whole party, the whole country and the entire people helped Sunchon.

On the other hand, he formed a research group with able scientists and encouraged them to make researches into a new method of carbide production and complete it.

The completion of the new method of carbide production by oxygen blast in Korea occasioned a great turn in developing the vinalon industry to a new, higher stage and increasing the chuche character and independence of the nation's chemical industry.

The second-stage construction of the Sunchon Vinalon Complex is progressing fast.

South Korea

Brothers Accused of Spying for North Arrested

SK2802054890 Seoul YONHAP in English 0510 GMT 28 Feb 90

[Text] Seoul, Feb. 28 (YONHAP)—Two elderly South Korean brothers, suspected of spying for North Korea for 30 years, have been arrested and charged with espionage under the National Security Law, the Korean security agency announced Wednesday.

A spokesman for the Agency for National Security Planning (NSP), formerly the Korean Central Intelligence Agency, said NSP agents had arrested So Sun-taek, 61, a resident of Japan who also uses the name Yoshio Sugino, and So Sun-un, 67, a businessman who ran a famous golf course near Seoul in the 1970s.

The two collected valuable information on politics, military and economy that they gave to North Korea, the spokesman said.

The charges against the brothers were referred to the prosecution along with similar charges against Mun Yong-cha alias Eiko Sugino, 50, the wife of So Sun-taek, and Kim Han-yol, 55, a resident of Japan, who were booked without physical detention as they surrendered.

The younger So went into Japan in 1947 and joined Chochongnyon, a pro-North Korea organization of Korean residents in Japan. He became a North Korean agent and visited South Korea 28 times, the spokesman said. He visited North Korea four times and met with North Korean officials in charge of espionage against South Korea and underwent espionage training.

On orders from North Korea he converted his brother, an influential businessman running the Kwanak Country Club who was a close friend of high-ranking ruling party and government officials and retired generals, in the 1970s.

The elder So collected valuable information from the Korean officials and reported it to the North through his brother, he said.

It is charged that So met with high-ranking officials, including then Seoul Mayor Kim Hyon-ok, then chief of presidential security force Pak Chong-kyu (now deceased) and then Agriculture and Forestry Minister Cho Si-yong, in September 1974 and December 1975 and reported the overall political situation to the North based on information obtained from private talks with the officials.

The pair tried to infiltrate South Korea's three opposition parties in 1988, and set up a bogus company in Seoul as a front for their espionage activities.

They also attempted to form a club of retired generals in 1982 to collect military intelligence.

The NSP presented as material evidence of espionage eleven copies of memoranda and other notes covering instructions to them from Kim Hak-kun, who was identified as head of an anti-Seoul espionage ring based in Japan under Chochongnyon, radio transmitters and written materials used in educating fellow travelers in Japan.

The younger So, who joined a pro-South Korea organization of Koreans residing in Japan in 1965 to cover his trail, was awarded four orders of merit and other medals by the North in recognition of his espionage work, the spokesman said.

Antarctica Team To Contact North Scientists

SK2802121890 Seoul YONHAP in English 1212 GMT 28 Feb 90

[Text] Seoul, Feb. 28 (YONHAP)—The South Korean Government approved Wednesday [28 February] two separate plans to contact North Koreans.

The government allowed Pak Pyong-kwon, director of the state-run (South) Korea Ocean Research and Development Institute, to meet three North Korean scientists who are to be dispatched to Antarctica, including Chang Ki-pong, for joint research between the South and North Korea. Pak filed application for the permission on Feb. 16.

Pak expects to contact the North Korean people on King George Island, on which South Korea's King Sejong Station is based, because the North Korean people are scheduled to arrive in a Soviet base near the island.

Kim Myong-sop, president of the (South) Korea Pharmaceutical Association, was permitted to meet two North Korean people, including Kim Chong-ki, president of Academy of (North) Korean Medical Sciences, for observation of North Korea's medical and pharmaceutical communities.

Japan Holding 'Unofficial' Contacts With North

SK2802075490 Seoul KYONGHYANG SINMUN 28 Feb 90 p 1

[Correspondent Yi Tong-chu from Tokyo]

[Text] During a meeting with reporters after the announcement on his remaining in his post as Japanese foreign minister, Taro Nakayama disclosed on 28 February that Japan and North Korea were holding unofficial government-to-government contacts in a third country.

Foreign Minister Nakayama said that this unofficial contact is being made in a foreign country where the two countries have diplomatic missions, and that the contact is to achieve the release of the crew members of the No. 18 Fujisan Maru, which was detained in North Korea.

Korean, Japanese Officials To Meet in Seoul

SK2602084790 Seoul YONHAP in English 0802 GMT 26 Feb 90

[Text] Seoul, Feb. 26 (YONHAP)—South Korean and Japanese officials will attempt to iron out their biggest outstanding diplomatic issue on Tuesday, when they meet in Seoul to discuss the status of third-generation Korean residents in Japan.

The one-day working-level talks will cover the automatic granting of permanent resident status to the descendants of Koreans who were forcibly taken to Japan during colonial rule of the Korean peninsula (1910-1945).

Kim Chong-ki, director general of Foreign Ministry's Asian Bureau, and his Japanese counterpart, Sakutaro Tanino, will represent their nations in the negotiations.

President No Tae-u hinted earlier this month that his visit to Japan, tentatively scheduled for the first half of the year, would be postponed unless the status of third-generation Korean residents and other pending issues were solved.

No's trip was put off twice last year, first due to Emperor Hirohito's death and then the general elections in Japan, and success in Tuesday's talks could clear the way for a visit in May.

Bilateral negotiations since late 1988 have made little progress on the status of Korean nationals born in Japan after Jan. 16, 1971, and not guaranteed permanent resident status under a previous accord on the status of Koreans in Japan.

An agreement between the two countries in 1965 gave first- and second-generation Koreans in Japan permanent resident status and stipulated that the question of third-generation Koreans was to be settled before January 1991.

In addition to the thorny question, Korean officials will urge Japan to remove various forms of discrimination against Koreans.

Seoul demands Koreans be exempt from the fingerprinting and identification card requirements for resident foreigners.

It also calls for scrapping the system under which Koreans must obtain a re-entry permit before going abroad and are subject to deportation to Korea if they commit a crime.

Tokyo opposes the demands on the ground that exceptions cannot be made for Korean residents in Japan and not for other foreigners living there.

A Foreign Ministry official said Monday, "The talks on Tuesday will not bring a concrete agreement, but we plan to hold talks as often as possible to settle the issue. It seems that Japan has a basic policy of not solving the problem for political reasons."

Counsular Head Leaves for Moscow Via Tokyo

SK2702063490 Seoul YONHAP in English 0552 GMT 27 Feb 90

[Text] Seoul, Feb. 27 (YONHAP)—Kong No-myong, the head of South Korea's first consular department in the Soviet Union, flew to Tokyo on Tuesday [27 February] on his way to Moscow.

Kong will arrive in the Soviet capital on March 2, after consulting with officials at the Korean Embassy in Japan, a Foreign Ministry official said.

The Korean consular department opened Feb. 22 in Moscow's Inter-Continental Hotel, where it will carry out limited consular functions such as issuing visas and protecting the interests of Korea and its citizens.

The Soviet Union is expected to open its consular department in Seoul in mid-March, but the head of mission has yet to be named, the official said.

The two countries, which have no diplomatic relations, agreed to exchange consular departments last December in the first step toward establishing diplomatic ties.

Kim Yong-sam's March Trip to Moscow Previewed

Itinerary, Meetings Detailed

SK2702015790 Seoul HANGUK ILBO in Korean 26 Feb 90 p 1

[Text] When he visits the Soviet Union on 19 March, Kim Yong-sam, co-representative of the ruling Democratic Liberal Party [DLP], will meet Aleksandr Yakovlev, member of the CPSU Central Committee Political Bureau, the highest organ of power in the Soviet Union, to discuss ROK-Soviet relations and the situation of Northeast Asia.

DLP lawmaker Chong Chae-mun, who returned home on 25 February after visiting Moscow to discuss Kim Yong-sam's visit to the Soviet Union with the World Economics and International Relations Institute of the USSR (IMEMO), disclosed that Kim Yong-sam will stay in Moscow from 20 to 26 March and that he will meet, in addition to Aleksandr Yakovlev; Yevgeniy Primakov, member of the USSR Supreme Soviet; Nikolay Ryzhkov, chairman of the USSR Council of Ministers; and other party, government, and parliamentary leaders.

Referring to the possibility of co-representative Kim Yong-sam's meeting with Gorbachev, lawmaker Chong Chae-mun said: This matter was not discussed in detail in the course of the negotiations with the Soviet side on Kim Yong-sam's itinerary. However, considering the atmosphere on the Soviet side, I would not rule out the possibility of Kim's meeting with Gorbachev. I confirmed that Kim Yong-sam will stay in the guesthouse operated by the CPSU Central Committee and that,

unlike the case of last year, the IMEMO and the International Department of the CPSU Central Committee are, this time, jointly preparing for Kim's visit to Moscow.

Yakovlev and Primakov, with whom Kim Yong-sam will meet, both served as chairman of the IMEMO in the past. They are the planners of Gorbachev's new-thinking foreign policy.

On the possibility of Kim Yong-sam's meeting with North Korean figures in Moscow, lawmaker Chong Chae-mun said: I didn't discuss this matter with the Soviet side at all. Since co-representative Kim Yong-sam's visit to the Soviet Union this time is made on the capacity of the representative of the ruling party, unlike the visit he made last year, if he wanted to meet with North Korean figures, this would be a matter that the government should arrange.

Lawmaker Chong Chae-mun disclosed that Kim Yong-sam will be accompanied by a 16-member suite. It was learned that Kim Yong-sam will leave Seoul on 19 March and stop over in Tokyo for one day, where he will meet with Japanese political leaders, including Prime Minister Kaifu.

Entourage May Include Ministers

SK2702134590 Seoul YONHAP in English 1321 GMT 27 Feb 90

[Text] Seoul, Feb. 27 (YONHAP)—Kim Yong-sam, a co-leader of South Korea's ruling Democratic Liberal Party (DLP), will make a visit to the Soviet Union from March 20-26 to discuss economic cooperation and diplomatic relations between the two nations.

Chairing a Cabinet member-level preparatory meeting Tuesday afternoon for Kim's visit to Moscow, Kim decided to notify the Soviet authorities of the list of his entourage by March 3.

"The delegation to accompany Kim will be made up of 16 members in accordance with an agreement with the Soviets," said DLP spokesman Rep. Pak Hui-tae, present at the meeting.

After the meeting, Pak said, the co-leader will leave Seoul March 19 for Tokyo and arrive in Moscow the next day, while he will get back to Tokyo on March 27 before returning to Seoul on March 28.

During the stopover in Japan, Kim is likely to meet Japanese Prime Minister Toshiki Kaifu because of the Japanese Government's alleged hope to make contacts with Kim.

Government support will be put for Kim's visit to Moscow because Kim visits the Soviet Union as co-head of Korea's ruling party, the spokesman said.

Since Kim's Moscow trip will be a critical moment to promote economic cooperation and diplomatic ties between the two nations, the entourage is expected to include the First State Minister for Political Affairs Pak Chol-on, and Trade and Industry Minister Han Sung-su or Agriculture, Forestry and Fisheries Minister Kim Sik.

Foreign Minister Choe Ho-chung, National Unification Minister Yi Hong-ku, the first state minister for political affairs Pak Chol-on, the DLP's Secretary General Pak Chun-pyong, Floor Leader Kim Tong-yong, chief policy maker Kim Yong-hwan attended the Tuesday meeting.

Stopover in Tokyo Possible

SK2802092390 Seoul YONHAP in English 0913 GMT 28 Feb 90

[Text] Seoul, Feb. 28 (YONHAP)—Kim Yong-sam, a co-leader of the ruling Democratic Liberal Party (DLP), said Wednesday [28 February] he hopes to stop in Tokyo for a meeting with Japanese Prime Minister Toshiki Kaifu on his way to Moscow on March 19.

Kim said he has asked Foreign Minister Choe Ho-chung to set up a meeting with Kaifu. He also expressed his willingness to meet Takako Doi, chairwoman of the Japan Socialist Party.

Emerging from a luncheon meeting with President No Tae-u, Kim told reporters that he will form an entourage to accompany him by March 5 at the latest.

During their talks in the presidential residence, the two DLP co-leaders discussed Kim's Moscow trip.

Kim said a Cabinet minister and businessmen will be included but did not name which minister or businessmen will accompany him.

Kim, who visited Moscow last year, will leave Seoul on March 19 and arrive in the Soviet Union on March 20. He will stay until March 27 and reach home on March 29 after an overnight stay in Japan.

Asked about his chances to meet Soviet leader Mikhail Gorbachev, Kim simply said, "I never talk about who I will meet and who I will not meet." He also said the ruling party's national convention may be delayed from early April to late April due to his trip to the Soviet Union.

TASS Reporter To Visit Seoul, Report on Wall

SK2802061690 Seoul YONHAP in English 0527 GMT 28 Feb 90

[Text] Seoul, Feb. 28 (YONHAP)—The Soviet news agency TASS will send a reporter to South Korea in March to look into North Korean claims that there is a concrete wall on the southern side of the Demilitarized Zone, a Foreign Ministry official said Wednesday [28 February].

He said Tokyo Bureau Chief Vladimir Kouchko will visit Seoul next month to report on frontline areas, including the truce village of Panmunjom.

Soviet Foreign Minister Eduard Shevardnadze, accepting North Korea's charges, on Feb. 10 urged Seoul to remove the wall.

South Korea has said there is no concrete wall near the border with North Korea, but there are tank traps in some sectors designed to block an invasion from the North.

Soviet, Chinese Support Sought for UN Entry

SK2702131090 Seoul HANGUK ILBO in Korean 26 Feb 90 p 1

[Text] Since it is expected that rapid progress will be made in improving relations with China and the Soviet Union, the government has decided to submit an application for entry into the United Nations this year and conduct active diplomatic contacts with China and the Soviet Union.

On 25 February, a high-ranking government official revealed as much and said, "The issue of being admitted to the United Nations is closely connected with improving relations with the Soviet Union and China. Since the international situation is changing at a rapid pace, there is no longer any need to deal secretly with the issue of improving relations with China and the Soviet Union, as well as the issue of entering the United Nations."

This official added, "In the future, we will have to take active and open measures in dealing with the issue of entering the United Nations. Now is the time for us to ask China and the Soviet Union what position they are going to take." This shows that even though there is no clear response from China and the Soviet Union, there is a possibility that the government can submit an application for entry into the United Nations.

The government is taking into account the fact that the proposal for entry into the United Nations will be approved if the permanent members of the UN Security Council do not oppose Korea's application. Therefore, the government plans to ask China and the Soviet Union to at least abstain from voting or be absent when the voting takes place and not actively express their opinion in opposing Korea's entry into the United Nations.

The government also plans to ask the U.S. side to convey our side's position to General Secretary Gorbachev of the Soviet Union when U.S. President Bush and Gorbachev hold summit talks in June. Our side's position is that "Korea wants simultaneous entry into the United Nations with North Korea, but if North Korea has no intention for simultaneous entry, or if it is not prepared, Korea must enter the United Nations first."

Along with this, in relation to the Beijing Asian Games, the government is planning to strongly convey to China Korea's position on entering the United Nations by taking the opportunity of the government-level negotiations on the issue of dispatching consular representatives.

In addition, in accordance with the prevailing international opinion, the government plans to conduct multilateral contacts with nonaligned countries and countries that have no diplomatic relations with Korea. This would bring about an indirect influence on China and the Soviet Union, and it also would actively publicize Korea's validity of entering the United Nations.

At the 44th UN General Assembly last year, representatives from some 50 countries officially supported Korea's entry into the United Nations. Among them, 18 countries, including nonaligned countries and socialist countries, expressed their supoort for Korea's entry into the United Nations for the first time.

Our country submitted an application to enter the United Nations in 1949, 1951, 1961, 1974, and 1975. However, in 1949 and 1951, it was voted down due to the Soviet Union, which exercised its veto power. In 1961, 1974, and 1975, it was not even presented to the UN Security Council.

Daewoo To Export Refrigerators to Soviet Union

SK2702122990 Seoul YONHAP in English 1156 GMT 27 Feb 90

[Text] Seoul, Feb. 27 (OANA-YONHAP)—Daewoo Corp., the trading arm of South Korea's Daewoo Business Group, signed a 1.3 million U.S. dollar contract with the Soviet foreign trade organization for 4,020 refrigerators Tuesday, the company said.

The refrigerators, to be delivered in the first direct shipment from Korea to the Soviet Union, will leave the Southeastern port of Pusan by the end of March for the Soviet port of Vostochniy, Daewoo said.

Daewoo has been holding talks with the Soviet side since September 1989 on sales of home electronic appliances such as dish washers, ovens and refrigerators.

The refrigerator deal is expecteed to add momentum to home electronic appliance exports and by the end of the year more than 20,000 refrigerators will be shipped to the Soviet Union, a company official said.

Daewoo Electronics Co. recently signed a contract in collaboration with Hagg Industries Inc. of the United States to supply the Soviet foreign trade organization with production facilities and microwave oven technology and to supply kits for assembly into 200,000 microwave ovens.

Samyang Foods To Export Noodles to USSR

SK2802100090 Seoul YONHAP in English 0952 GMT 28 Feb 90

[Text] Seoul, Feb. 28 (YONHAP)—Samyang Foods Co. is about to ship 20,000 U.S. dollars worth of instant

noodles to the Soviet Union, becoming the first South Korean company to export the item to the communist world, the company said Wednesday [28 February]. A company official said Samyang will soon sign a contract to swap instant noodles for soybeans produced in the southwestern Soviet city of Tashkent.

Samyang, Korea's largest instant noodle maker, started the negotiations during the Moscow Consumer Expo in January. The company claims it exported 33 million dollars worth of instant noodles last year.

Hyundai To Bring Timber From Siberian Area

SK2702005090 Seoul THE KOREA TIMES in English 27 Feb 90 p 8

[Text] Hyundai Merchant Marine Co. plans to deploy three large barges to bring in timber from the Maritime Provinces of Siberia to be developed by the Hyundai group, a Hyundai official said yesterday.

The Hyundai group has contracted with the Maritime Provinces forestry authority to invest 64 million rubles at the ratio of 50:50 in the development of the 9.9 billion square meters of forestland for thirty years—330 million square meters a year.

The official said Hyundai will be able to develop some half a million cubic meters of timber this year and one million cubic meters annually from next year.

To transport the timber to Korea, Hyundai will deploy one 21,600-ton barge in the latter half of this year in the initial stage and two other barges with a loading capacity of 20,000 tons each next year, the official said.

The shipping company plans to place orders for the construction of two barges with its sister firm, Hyundai Heavy Industries, after reviewing profitability, the official said, adding that the construction needs six to eight months.

The Soviet authorities had sought to transport the timber developed in the Maritime Provinces. But it gave up the transportion right to the Hyundai side due to poor profitability in the negotiations in Seoul last December.

It is also reported that the Soviet authority has been dredging the Svetlaja Port to solve the transportation problem.

Meanwhile, Hyundai Merchant Marine plans to unload 70 percent of the projected import of one million cubic square meters at Inchon for sale in the Seoul and Inchon area, 10 percent each in Pusan and Ulsan and the remaining 10 percent at other ports including Kunsan, Mokpo and Tonghae.

Hyundai's Chong Chu-yong Departs for USSR

SK2802012890 Seoul THE KOREA HERALD in English 28 Feb 90 p 6

[Text] Chong Chu-yong, honorary chairman of Hyundai Business Group, left Seoul yesterday to visit the Soviet Union.

While there, Chong will discuss with Soviet leaders joint ventures, including Hyundai's participation in the construction of a free economic zone in Nakhodka in the Soviet Far East, a company official said.

He is accompanied by Yi Myong-pak, chairman of Hyundai Engineering and Construction Co., and others.

Hyundai Seeks Permission To Open SRV Branch

SK2702031890 Seoul YONHAP in English 0221 GMT 27 Feb 90

[Text] Seoul, Feb. 27 (YONHAP)—Hyundai Corp., the trading arm of the Hyundai Business Group, applied for South Korean Government permission to open a branch in Vietnam last month, a spokesman for the conglomerate said Tuesday [27 February].

The application, filed with the Trade and Industry Ministry on Jan. 24, requested permission to open a branch in Ho Chi Minh City this year.

Hyundai, which is engaged in barter trade with Vietnam, exporting chemical products and importing scrap iron and lumber, was asked by the Chamber of Commerce and Industry in Ho Chi Minh City to establish a branch there, the official said.

According to industry sources, other leading Korean trading companies such as Samsung Co., Kolon Industries and Sunkyong Ltd. are also considering applying to open branches in Vietnam, with which South Korea has no diplomatic ties.

Direct trade between Korea and Vietnam amounted to some 87 million dollars last year, making Vietnam the nation's third largest communist trade partner following China and the Soviet Union. Including indirect trade, the figure is estimated at 150 million dollars last year.

The Trade and Industry Ministry will decide on Hyundai's application in March after consultation with related government agencies, but the ministry itself takes a positive position, a source at the ministry said.

Meanwhile, 16 Korean firms are to participate in the "Duang Trang April Fair 90" to be held April 28-May 7 in Ho Chi Minh City and the Korea Trade Promotion Corp. is considering dispatching a trade mission to Vietnam during the second quarter of the year.

Financial Policy Talks With U.S. Open 26 Feb

ROK Delegates Outline Policy

SK2702012490 Seoul THE KOREA HERALD in English 27 Feb 90 p 6

[Text] First round of the Korea-U.S. financial policy talks was held at a conference room of the Ministry of Finance in Kwachon, Kyonggi-do, yesterday.

The conference, to continue through this afternoon, will have four sessions—one plenary and three working sessions.

In the plenary and first working sessions yesterday, Yi Yong-song, assistant minister for planning & management of the Ministry of Finance, made remarks on Korea's macroeconomic outlook.

Meanwhile, Charles Dallara, who came to Seoul over the weekend leading a four-member U.S. delegation, explained the U.S. economic outlook and financial policies.

The U.S. delegates from the Treasury Department are Robert Bestani, deputy assistant secretary for international monetary affairs, Todd Crawford, officer of developing nations' finance, and William McFadden, officer of banking and portfolio investment.

Yesterday's sessions were chiefly led by the Korean side, which presented overviews of the nation's financial policies and the financial market liberalization schedule.

The agendas tabled at the meeting were recent developments in management of money supply, banking and nonbanking financial sectors' structure and regulations, and securities markets' structure and regulations, a ministry spokesman said.

Concrete demands by the U.S. side and the results of the financial policy talks between the two countries are expected to be available late today or tomorrow.

In the second and third working sessions today, both sides will exchange a wide range of views on almost all financial sectors, including exchange rates, banking and securities.

In particular, the U.S. side is likely to put heavy pressure on Korea to stop depreciating the won against the dollar and adopt more open ways in deciding the won-dollar exchange rate.

The United States is also expected to demand that Korea speed up its liberalization pace of the domestic financing and capital market, the spokesman said.

In the meantime, the Korean side will try to ease their pressure for the won's appreciation and the early opening of the banking and securities market by explaining the difficult situation facing Korea, he said.

The demand was made during the final session of two days of bilateral financial policy talks to review pending issues and develop a better understanding of each other's situation.

The U.S. delegation, headed by Charles Dallara, assistant treasury secretary for international affairs, predicted Korea's new foreign exchange system will help modernize its financial institutions and urged the monetary authorities to resist the temptation to meddle with it.

The U.S.-side said interference by the central bank or other financial authorities would create the suspicion that the government was manipulating foreign exchange rates to boost exports.

Korea switches from a dual basket foreign exchange system to a more liberalized market average exchange rate system on Thursday.

Led by Yi Yong-song, assistant finance minister for planning and management, the Korean side said the won has depreciated 4 percent since the latter half of last year because of the dollar's strength, not because of a government export-drive policy as the U.S. team alleged.

The four U.S. delegates said they hoped Korea would open its securities market by 1992 as it had announced and not delay on the ground that conditions are not ripe, contending opening would contribute to Korean commodities' international competitiveness.

The Korean side made it clear opening of the securities market will not be postponed and pledged to permit foreign securities firms to operate in Korea from next year on a gradual basis as well as to decide next year the scope and category of foreign securities companies that may take part in the domestic securities market.

The U.S. side complained the Korean Government discriminates against foreign banks, blocking the opening of branches.

Korean delegates said there is no legal discrimination but customs and practical differences in treatment will always be possible due to the nature of business and so the matter should be solved by the banking institutions themselves.

The U.S. delegates recommended accelerated liberalization of the financing, capital and foreign exchange markets, saying the difficulty the Korean economy is facing stems from excessive growth and is a natural readjustment.

Sides Discuss Exchange Rates

SK2802022090 Seoul YONHAP in English 0205 GMT 28 Feb 90

[Text] Seoul, Feb. 28 (YONHAP)—The United States called on South Korea to minimize government interference in the foreign exchange market Tuesday [27 February], cautioning against "arbitrary depreciation" of the Korean won against the U.S. dollar.

Central Bank Predicts Fewer Disputes With U.S.

SK2702033090 Seoul YONHAP in English 0206 GMT 27 Feb 90

[Text] Seoul, Feb. 27 (YONHAP)—The United States may provoke fewer trade disputes with South Korea this year because last year Seoul halved its trade surplus with Washington, lowered tariffs 40 percent and advanced

import liberalization to 96.4 percent, Korea's central bank said Tuesday [27 February].

In a report on friction with Korea's trading partners, the Bank of Korea (BOK) said South Korea has won credits from the United States by steadily implementing trade agreements.

Areas listed as most vulnerable to Korea-U.S. trade disputes are beef, telecommunications, intellectual property rights and the won-dollar exchange rate.

The bank said the trade surplus with the United States, Korea's largest export market, was 4.73 billion U.S. dollars in 1989, down 45.3 percent from 1988 and 50.5 percent from 1987.

The average tariff plunged to 11.4 percent last year from 19.3 percent in 1987 and 18.1 percent in 1988 while liberalization of imports progressed to 96.4 percent from 93.6 percent and 94.8 percent, the report said.

It said industrialized countries imposed 94 different import restrictions on Korean-made products last year, up three from 91 in 1988. Electronic products are the main target of controls, mostly by the United States and the European community, the report said.

Current Account Surplus 'Plunged' 64% in 1989

SK1902015490 Seoul YONHAP in English 0144 GMT 19 Feb 90

[Text] Seoul, Feb. 19 (YONHAP)—South Korea's current account surplus, led by narrowing trade surpluses with the United States and the European Community, plunged 64 percent to 5.1 billion U.S. dollars last year from 14.16 billion dollars in 1988, the Bank of Korea (BOK) reported Monday [19 February].

According to the central bank's tentative tally of the 1989 international balance of payments, Korea's trade surplus was 4.514 billion dollars, down 60.56 percent from 11.45 billion dollars in 1988. Imports jumped 17.8 percent to 56.77 billion dollars while exports edged up 2.7 percent to 61.28 billion dollars.

Korea's trade surplus with the United States was trimmed 45.25 percent to 4.73 billion dollars, while that with the EC dropped 56.94 percent to 900 million dollars.

The BOK report said the invisible trade surplus plummeted 72.3 percent from 1.27 billion dollars to 351 million dollars, because of spending abroad by travelers and royalties.

The transfer surplus was 237 million dollars, down 1.211 billion dollars, the sharpest setback among all the payment balances.

Individual overseas remittances jumped more than sixfold from 117 million dollars to 794 million dollars.

Foreign currency holdings amounted to 15.245 billion dollars, up 2.867 billion dollars from a year earlier, while foreign debts were cut 1.8 billion dollars to 29.4 billion dollars.

The trade defict with Japan increased 60 million dollars to 3.99 billion dollars.

* Export Status, Prospects for Major Industries

902C0088A Seoul CHUGAN MAEKYONG in Korean 7 Dec 89 pp 20-31

[Article by reporters Choe Ki-yong, Pak Chong-yang, Kang Chong-ku, Yi Yong-nan: "Korea's Export Front, Its Bright and Dark Sides—the Booming Construction, Shipbuilding, Shipping and the Depressed Auto, Electronics, Textile]

[Text] While the nation's exports have yet to find a way to regain vitality, industries are finding themselves in different slots, some in the bright, others in the dark. The construction, shipbuilding and shipping industries, each long viewed as an ugly duckling, emerged from a prolonged stagnation and are on the upswing, on one hand, while, on the other, the electronics, auto [and textile] businesses that once were an indisputable driving force for Korea's economic growth are watching their exports slumping so drastically that they find the situation totally frustrating. Let us take a look at where the six industries stand now.

Construction

With their business picking up both at home and abroad, it appears that construction firms in the country are in for the biggest boom in history.

Hyundai Construction is about to reach the 1989 target—1,350 billion won in orders, while Tonga Construction in September won a Libyan contract on a major waterway second-phase project to add $5,312 million to its order bookings, which is a record high. Daewoo last year earned $651 million in overseas construction and 360 billion won at home; for 1989, it set its overseas and domestic targets at $1.2 billion and 505 billion won respectively. Currently, Daewoo is about to reach its overseas target after overfulfilling its domestic plan. Meanwhile, Samsung Construction received $76 million in overseas orders as of the end of October, thus attaining its 1989 goal of $30 million ahead of schedule; also, it earned 448.7 billion won in domestic construction and is currently continuing its dash for a goal of 534.1 billion won.

Construction firms in the country are indeed riding the wave of prosperity and making so much money, primarily because the domestic construction market is continuing to expand. The construction boom generated by the Seoul Olympics was followed by the Pundang, Ilsan and other new city projects as well as housing construction for 2 million households, which are now in full swing. In addition, the industry is loaded with more

favorable factors including the planned west coast development, freeway construction, laying of an East-West high-speed railway and building of sewage treatment plants.

All Good News; Sitting on Money

Operating expenses invested in these projects are as huge as the scale of the projects. In the case of the new city projects, the expenses alone for residential land planning and infrastructural construction, scheduled for completion by the end of 1992, are: Pundan, 2,301 billion won; Ilsan, 1,517.6 billion won; Pyongchon, 760 billion won; Sanbon, 598.7 billion won; and Chungdong, 825 billion won; and the total is 6,002.3 billion won. Meanwhile, in housing construction for 2 million households, which began in 1988 and will continue through 1992, the total of operating expenses is 64 trillion won, of which the money purely for construction—i.e., not including compensations for land—is approximately 40 trillion won.

In the west coast development project, scheduled to last through the year 2001, of the total 22,300 billion won in operating expenses, the government appropriations alone are 287.5 billion won for fiscal 1989 and 441.5 billion won for fiscal 1990, envisaging an average 113 percent increase every year thereafter.

In the freeway construction, eight projects are scheduled to be started before 1992 with a cost of 4,760 billion won. Also earmarked for the east-west high-speed railway construction, scheduled for 1992-98, is 1,600 billion won.

Furthermore, there are plans to build sewage treatment plants in 84 places across the country to help improve water quality and prevent environmental pollutions, with an investment of 2,136.6 billion won.

As a result, it is expected that the total domestic construction scale will mark a whopping 38 percent increase from the 9,920 billion won last year to 13,700 billion won this year. The growth rate may decline somewhat next year and thereafter, but will still remain at a 14 percent level; the 1990 and 1991 scales will likely exceed 17 trillion won and 20 trillion won respectively. Thus, the prospects are bright and the construction industry will be safe and sound for the next several years.

Firms are also showing steady expansion in their overseas order bookings. For the period ending on 15 November, their record shows an approximately 30 percent gain from $1.2 billion for the corresponding period last year to $1.5 billion this year. Thus, excluding the Libyan major waterway second-phase project, the industry expects a $2 billion level to be reached this year.

Opening of Bloc Markets Imminent

It is thought that next year again the industry will be in for $2.5 billion or more in order bookings as Libya is likely to continue to issue orders and postwar rehabilitation projects will gain momentum in Iran and Iraq. In Iran's case, the spending for rehabilitation projects for the next 10 years is estimated at $200 billion. Suppose Korean construction companies get only 10 percent of it, or $20 billion, it is a huge amount.

The Libya waterway project will also have a great pervasive effect. Most of Middle East countries including Iran, Iraq, Saudi Arabia and Kuwait are very interested in the success of this project. A successful green revolution is a cherished dream to those desert nations.

Orders keep coming in from the Soviet Union, China and Vietnam, too, making the industry's prospects even brighter.

In the case of the USSR, it is expected to place orders on a project worth nearly $10 million as soon as a few policy problems are resolved. And once the gate opens, the Soviet Union is likely to be a golden market. In Vietnam, there have been no major construction projects yet, but in the hotel construction business in which Daewoo is engaged, orders are likely to come continually. China also appears to be moving to resume development projects that were interrupted by the Tiananmen Square incident.

Shift to Profitability-First

At the same time, the industry is hastening to make inroads into American and Japanese markets. Samsung Construction, acquiring a Japanese license this year for the first time, is working to obtain orders, mainly in such areas as school, hospital and hotel construction. Ssangyong Construction is also setting up its operations in American states. After establishing a bridgehead in San Francisco, it began working in local city redevelopment and housing projects.

Also, many firms are currently in the post-bidding stage waiting for the signing of contracts. Hyundai Construction is standing by for two Saudi Arabia transformer station contracts. Also, in respect to a Malaysian freeway project, it is presently in negotiation regarding technical matters. Daewoo is working on several contracts, including an oil refinery in Iran, water tanks in Kuwait, and housing and road construction in Libya.

Daelim Industrial is preparing for oil refinery and civil engineering works in Iran and for power station and civil engineering works in Egypt. Samwhan Corporation and Kyongnam Corporation are also planning to obtain one or two Southeast Asian contracts each within this year.

Nevertheless, some people see foreign contracts as a bit on the downswing compared with the boom at home. Of the 75 Korean companies that have foreign construction licenses, no more than 27 are actually receiving orders. Even of this figure, only 15 firms are doing active business.

Overseas construction projects involve difficulties such as the local demand for the contractor's financing and complicated terms of payment; worse yet, the recent

wage increases have lowered the international competitiveness drastically. Under such circumstances, the overseas projects do not pay any more, they say. Especially, with the domestic construction demand being as brisk as it is, firms see no need for them to venture into foreign fields.

Meanwhile, there have been significant changes in Korean companies' order-taking pattern. Construction projects are becoming increasingly massive in scale; furthermore, companies no longer stick to the take-the-contract-first-at-any-cost attitude but attach greater importance to profitability.

At any rate, the construction business continues on the upswing thanks to the boom both at home and abroad. Construction stocks that had been even below face value until 2 years ago are now showing maximum closes daily and everybody seems to be happy.

Shipbuilding]

Korea's shipbuilding industry, extricating itself from the depth of a prolonged stagnation, is now well on the road to growth.

This year the industry registered $2,99.483 million in orders received as of the end of October, surpassing the 1989 goal of $1.8 billion.

1990 Target 67 Percent Higher

At the beginning of the year, the devastating labor-management disputes at the Hyundai and Daewoo facilities forced a 14 percent cut in the estimated 1989 orders. As operations returned to normal, however, it became certain that the last year's record of $1.763 billion would be surpassed.

Orders received by individual firms, as of the end of October, are: Hyundai—16 ships, 800,400 tons; Daewoo—9 ships, 584,000 tons; and Samsung—9 ships, 409,700 tons.

This month in particular, Hyundai added another 125,000-ton-class ship to its list of orders on an optional basis; as a result, it finds it easy to reach this year's target of $1.2 billion. Daewoo also received Swedish orders for two oil tankers this month, thus surpassing its goal of $800 million.

As a result, in their work schedules, Hyundai and Daewoo have no openings except for short periods in the second half of 1991, while Samsung has no openings through the first half of 1992.

Currently, Samsung is negotiating a deal with Kuwait on two refined oil tankers. Hyundai is in negotiation on four or five container ships. If contracts are signed on these deals, the list of orders will grow even longer.

Encouraged by this growth, the industry set the 1990 target at $3 billion, which is approximately a 66.7 percent gain over this year.

In Hyundai's case, it plans to receive orders for 30 ships in 1990, which will be worth $1.5 billion. Presently, vigorous contract talks are in progress on Soviet proposals on eight 100,000-ton-class tankers and negotiations are likely to conclude next year. Hyundai is also in negotiation with India on orders for four ships. Besides, it is making all-out efforts to win Iran's orders for four 280,000-ton-class oil tankers that are expected for 1990.

Daewoo already set its 1990 target at $1 billion in order bookings. It is vigorously pushing the current contract talks with Kuwait on three 300,000-ton-class oil tankers, undertaken in consortium with Hyundai Heavy Industries. Bargaining is also under way with Iran over an oil tanker deal.

Samsung Shipbuilding and Heavy Industries, which has a basic policy putting emphasis on taking orders for high-price items, feels that it can easily reach $400 million in 1990 orders.

Since it was taken over by the Hanjin Group, the Korea Shipbuilding and Engineering Corporation has been operating on the basis of Hanjin's schedule. While presently working on a subcontract worth about $300,000, it plans to join in activities for winning foreign shipbuilding orders.

Thus, in order to strengthen its order-taking team, the corporation merged the operating capacities of its affiliated firms—Donghae Shipbuilding and Pusan Repair and Shipbuilding—into consolidated management.

Korea will regain its place as the world's second largest shipbuilding country sooner or later.

Especially, the shipbuilding business is likely to pick up even more once problems with the Soviet Union are amicably settled.

The USSR already established plans to earmark $4 billion in state funds for a massive-scale rebuilding of merchant ships for the 1991-95 period. Ships owned by the Soviet Ministry of Maritime Fleet are approximately 15 years old on average and obsolete; the plans call for replacing more than half the 1,650 ships within 2 or 3 years.

Thus, the Soviets are continuing to place orders with our side. However, in the absence of diplomatic relations between the two countries, the Korean side has no alternative but be passive in dealing with them, considering the risk factor.

Shift From Dumping to Higher Prices

Meanwhile, along with the increasing order bookings, the ship prices are continuing to rise, keeping the shipbuilding industry elated. The prices rose 20-25 percent over the 1988 levels, and as much as double the 1986 levels. If the trend holds, the price of a 250,000-ton class oil tanker is likely to reach a $100 million level in 2 years.

The 280,000-ton class oil tanker, contracted by Daewoo Shipbuilding with the Swedish Argonaut company on 13

November, is priced at $80 million, the highest ever for the Korean shipbuilding industry.

The reason the ship prices keep rising is that the industry has courageously overcome the old dumping climate through joint reform efforts. In fact, the industry had been plagued by the low-price order bookings caused by the get-contract-first attitude.

Also, the wage increases resulting from the labor-management disputes as well as the appreciation of the won currency, which was as much as 20 percent in the past year or two, worked as major factors.

In the settlement of accounts on payment, the industry is shifting to cash payment instead of deferred payment. The purpose is to lessen risks as much as possible. Moreover, the down payment was increased from 20 percent to 32 percent. With the Export-Import Bank providing up to 80 percent in loans, a 20 percent down payment would cause no serious problems; however, the 80 percent paid by the Export-Import Bank includes a 12 percent foreign exchange fund, which industry sources say means a heavier burden in case of a change in the interest rates.

Thus, the industry is pushing the terms of a contract in a favorable direction for our side and, at the same time, making continued gains both in the order bookings and the ship prices. Responsible for this situation is the fact that the world's shipbuilding business has shifted to an unprecedented upswing.

The time has come for the oil tankers built in the mid-1970's to be replaced with new ones; consequently, the demand for ships are expected to reach way beyond the supply in the mid-1990's. Thus, roughly speaking, the world's total ship orders for the 1990's will likely exceed a total of $200 billion.

Sustained Boom Likely If No Disputes

Also responsible for the booming world shipbuilding business is the upturn in the shipping business. The increasing freight volumes naturally require more ships. Therefore, the shipbuilding and shipping businesses are very closely related with each other.

The world shipping markets report a 2-3 percent gain in the volume of shipments every year, and according to predictions, the volume will reach 3.82 billion tons in 1995, and 4.11 billion tons in the year 2000.

However, there are not enough ships to transport that much cargo. Speaking of oil tankers alone, after the first 1973-74 oil crunch plunged the shipping industry into a long, long tunnel of recession, 30 percent of them were discarded in the 1982-85 period. This led to the current shortage of ships as the world business cycle turned to an upswing, with constant increases in the volume of cargo. Worse yet, ships of the world currently in service are 13 years old on average. That means that they are mostly aged. Fifty percent of them have to be replaced with new ones by the mid-1990's. In short, the shipbuilding business will continue on the upturn in the foreseeable future.

However, all these bright prospects will turn to a pie in the sky should the industry be again caught up in labor-management disputes, interested sources are unanimous in this opinion.

Japan, keeping pace with the global trend, began rebuilding its shipbuilding industry ahead of schedule. It is making all-out efforts on the order-taking front, too. There always is a chance of Japan monopolizing prosperity.

Therefore, the government and the industry, fully considering this point, are searching for multilateral measures to prevent disputes. How they will accomplish this task remains to be seen.

Shipping

The nation's shipping industry is sailing with the wind for the first time in a long time. It had been bogged down in the depth of a slump for nearly 6 years from 1982 and even once branded "a synonym for an insolvent industry." However, since last year, it has gradually turned around and is becoming a growing industry.

Riding the Wave of a Boom

The number of ships the industry owns is so far short of the demand generated by the increasing shipping orders that it now has to rent bulk carriers from other countries. The situation has totally reversed from what it was until a few years ago when Korean ships were rented out to foreign shipping companies.

The industry reported 46.2 billion won in current-term net profit for 1988; this year again, a surplus of approximately 48.7 billion won is anticipated, which, compared with the 1986 deficit of 243.4 billion won, means a growth of nearly 300 billion won, an amazing turnaround indeed.

The record for the first 9 months of this year shows 31.353 million tons in outgoing cargo and 121.563 million tons in incoming cargo, for a total of 152.916 million tons, marking a 3.8 percent gain over the same period of 1988.

The freight revenue for the first 9 months of this year also has jumped to $2,398.12 million, which is a 13.4 percent gain over the same period of 1988. It seems to be easy to attain this year's target of $3.3 billion.

Shipping is one of the industries that has suffered major setbacks since the early 1980's. The first and second shipping industry rationalization programs were carried out in the 1983-87 period, with the 115 companies consolidated into 34. Also, as part of the self-help measures, the industry laid off as many as 1,207 employees and disposed of obsolete vessels totaling 2

million tons. Thus, with the reductions worth 356.2 billion won, it began an effort to cut out the fat.

Then, as the world shipping markets turned to prosperity, beginning in April-May 1987, our shipping companies started to share the boom. The shipping business is extremely sensitive to world markets.

Generally, ships to be used exclusively for crude oil, containers, automobiles and ferrous ores are built and put in service by the owners in response to demands for them; consequently, they are relatively safe from business fluctuations. However, in the case of bulk carriers for general goods like coal, beans and rice are inevitably very sensitive to freight rates, ship prices and cargo volumes.

When the world shipping business began sinking in 1981, Korean shipping companies relying on bulk carriers were left to collapse, Daehan Shipping, Pan Ocean Shipping and Dooyang Merchant Marine—firms subsequently merged into Hanjin Container Lines—suffered the heaviest blows.

However, with the world shipping business having turned to an upswing, those companies are now having a fairly good time.

Anyhow, the shipping industry in this country is no longer treated as an outcast. It has been transformed into as promising an industry as construction and shipbuilding.

The biggest factor responsible for this change is the sharp increase in the freight rates. While there has been no gain in the number of ships globally, freight volumes for maritime shipping have continued to increase, creating relative shortages of ships and thus pushing up the freight rates. The combined freightage index, based on 1972 as 100, reached the peak of 368.7 in 1980; then came the slide, and the nose dive to 172.3 in 1986. Since May of this year, however, it has been over 300, the latest available figure being 300.8. Except for minor differences between them, freightages are rising largely at similar rates in both general cargoes and grain. The charges have indeed doubled in the past 3 years.

Freightage Doubled in Three Years

Especially, in the case of tramps, the freight is determined by the contract with the shipper. So, when there are not enough ships to carry goods as at present, the owners of tramps literally have a field day. The fact that 70 percent of all the ocean-going ships are tramps is working as a significantly favorable factor for our shipping industry. Especially, when the severe drought in the United States last year pushed up grain prices in the world markets, the Soviet Union, a major importer, desperately looked for tramps to secure its huge imports in advance, catapulting the freight rates for tramps.

Pan Ocean Shipping then had the best time of all shipping firms in the country. Of the 84 ships it owns, 71 ships or 85 percent are tramps and this situation enabled Pan Ocean to take full advantage of the spot rates.

At any rate, the shipping boom is expected to continue for another 2 or 3 years. Prospects are increasingly optimistic as trade gradually picks up in such areas as oil, grain, coal and ferrous ore that virtually exclusively rely on the means of maritime transport. Industry sources also expect that once full-scale postwar rehabilitation projects get going in Iran and Iraq, it will probably generate a special Middle East boom.

Meanwhile, among the major factors wielding a great impact on the shipping industry, directly or indirectly, one is the crude oil price. As the source of power for ships, it seriously affects freightage; furthermore, every reduction in its price leads to a gain in the quantity of crude oil trade, and to major increases in shipments.

In the case of our shipping industry, the incoming and outgoing cargoes are in the ratio of 1 to 3; the outgoing cargo is approximately 150 million tons, of which crude oil accounts for about 40 million tons. Also, in the current loading percentages of registered ships for different goods, crude oil is the largest item, accounting for 22.3 percent.

Efforts To Ward Off Fluctuations

All the data being used in our estimates are based on the $18 per barrel in the crude oil price. If a third oil crunch should break out to push up the crude prices again, the shipping community will undoubtedly fall victim to another down cycle.

With this in mind, the industry has shifted to management focusing on building its own resilience. Thus, companies are now trying to sell their obsolete vessels on the condition that they rent them, instead of selling them out for good. It reflects their worries about a recession that may follow the shipping boom which is now in its third year.

With the current boom anticipated to last for some more time, shipping companies are asking the government to authorize an increase in the gross tonnage of ships to cope with the increasing cargoes and replace obsolete vessels. According to them, there should be a 1.5 million-ton increase for 1989 alone.

However, the Ministry of Trade and Industry and the Economic Planning Board differ with them. In the view of government officials, purchases of used ships would adversely affect our shipbuilding industry. At the same time, they see problems in borrowing money from other countries to build ships domestically.

As the saying goes, "any trade has its ups and downs." Indeed, the shipping business is particularly characteristic of wild fluctuations. The unanimous view of the shipping community is that the government should come up with some bold measures to help shipping companies

in the country maintain the momentum of the current prosperity and plant their roots deeper and firmer.

Automobiles

The nation's auto industry is suffering from a serious case of fatigue.

Once a symbol of Korea's face in the industrial world and a promising industry, the auto manufacturing is now in a crisis due to the chilly drafts from within and without.

In 1988, the industry sold a total 1.091 million cars—576,000 in exports and 523,000 to domestic markets—to surpass the 1 million-car line for the first time, placing Korea as one of the 10 major auto producing countries of the world, and as the eighth largest exporting nation. Since the beginning of 1989, however, exports declined drastically, spawning fears that Korea might end up with its dream of becoming one of the world's leading car producers shattered.

As of the end of October of this year, 255,000 cars were exported, marking a 42.6 percent fall from the corresponding period last year.

While the industry claims that the big gap was filled by the growth of domestic demand to a certain extent, the decline presents a very serious problem from the viewpoint of the nation's industrial structure.

Less Competitive Due to Won, Wages

It was in the mid-1980's when the auto industry became a major strategic export industry. After basically securing its competitive edge as a result of the 1981 government rationalization program, the industry took its first step as an export weapon when Hyundai Motor exported its first Excel cars (old model) to Canada in 1985.

Then, Hyundai worked its way into U.S. markets in 1986, selling as many as 160,000 cars in a few months. It then sold 264,000 cars in 1987, a record high for a single model.

The nation's auto exports jumped to 306,000 cars in 1986, and to 546,000 cars in 1987 against 52,000 in 1984 and 123,000 in 1985.

Last year, there was a bit of slowdown but nevertheless 576,000 cars were exported, making the auto industry the third largest export industry next to the electronics and textiles.

At the time it still appeared as if it were within our reach to dominate the world's motor industry with as much influence as the United States and Japan. Even the leading auto industrial countries began seeing Korea as a fast growing rival and one to be reckoned with.

However, the danger signal came on with the arrival of 1989 and things began to change drastically. The export that kept growing by an annual average of 90 percent for 3 years fell back by nearly 50 percent overnight.

The slump was particularly serious with exports to U.S. markets, which accounted for 85 percent of Korea's car exports in 1988, plunging the industry into a tough fight in the world's largest automobile market. In the first 10 months this year, 278,737 Korean-made passenger cars were sold in the United States, including Mitsubishi-exported ones, which is a decline by as much as 21.1 percent compared with the same period of 1988.

The breakdown shows that Hyundai Motor sold 160,705 cars or 28.6 percent less while Daewoo Motor sold 42,605 cars or 18.2 percent less. Meanwhile, Mitsubishi, the agent for Hyundai's Excel model, sold 14,322 cars or 19.7 percent less. The only exception was Kia Motors Corporation, which marked a 4.9 percent gain by exporting 61,105 cars.

In fact, it was predictable that things would more or less turn difficult for the auto industry from the beginning of this year. The 1988 growth rate in the car exports declined sharply compared with the previous 3 years—the growth for that year was only 5.2 percent over 1987, forecasting a continued slump for 1989.

Nevertheless, it was thought that exporting 600,000 cars at least this year would be an easy thing. The year got off to an uneasy start, however.

Only 135,000 cars were exported in the first quarter, showing a decline by as much as 10.5 percent compared with the corresponding period of 1988 and creating an alarming situation. To make it worse, labor-management disputes that began in April shook the industry, with the work stoppage causing damage in exports and a whopping 29.2 percent decline in the first half-year exports.

Entering the second half-year, the industry hopefully thought that the improvement in the labor-management relations might generate a recovery to some extent. The export stagnation has even deepened, however, with 255,000 cars shipped as of the end of October (a 42.6 percent fall from the same period of 1988), thus creating the worst possible situation.

Meanwhile, the domestic car sales, the boom of which used to make up for setbacks in exports, have also been on the decline since July, creating a difficult situation at home as well as abroad.

Firms Eye Domestic Demand, Fan Slump

It can be said that this situation has been caused by a variety of factors. Of them all, the disarray in shipments caused by the labor-management disputes, the setbacks in the price competitiveness due to the won currency appreciation and wage increases, the falling productivity and quality competitiveness, and the reduced demand and increasing competition in the U.S. markets are listed as major factors.

First, in price competitiveness, the won currency appreciated as much as 25 percent in the past 3 years, while the wages rose by a whopping 23 percent annually, or nearly 100 percent for the past 3 years, making increases in the export prices inevitable.

This led to the narrowing of the price gap between the competing cars in export markets from 22 percent in 1988 to 15 percent in 1989 (less than 10 percent in the case of the new Excel model). The U.S. price on the Excel (old model) is $5,700-$8,500 per car, an increase by more than $1,000 over the 1986 price level.

On the other hand, in the case of Japanese-made cars, the yen currency was devalued by more than 10 percent in the same period and, as a result, compact cars were sold for $7,500-$9,000, drastically reducing the price difference with Korean-made cars.

Especially, Japan mobilized its massive funding power, reducing the rates of installment payment and increasing the cash rebate to $1,500- $2,500 and thus gaining a great advantage over the Korean-made cars that offer only $300-$1,000 in rebate.

Any lagging in the price competition would have to be covered by an improvement in quality; however, the Korean auto industry still has many problems in this field, too, as the technological gap with the advanced rival countries remains wide and has not yet been closed. This even triggered the public opinion in U.S. markets that Korean-made cars are inferior in performance and reliability for their prices, adding difficulty to the industry's plight.

The labor-management disputes in the auto industry proved to be a major factor contributing to the export slump. Disputes involving makers of finished cars and parts producing firms continued to suffer damage in exports in the first half of this year; in the past 3 years, makers of finished cars were forced to suspend operations for an annual average of 28 days, with the damage caused in production amounting to 2,800 billion won and the damage in exports to $1,230 million.

The shortcoming in responding to change in consumer taste quickly enough has also become a problem. Currently, as the cycle in the world automobile markets has lessened from 4-5 years in the past to about 2 years, requiring that model changes be made once every 3 years at least, the Korean auto industry is unable to meet this requirement adequately.

The Korean auto industry, relying on the United States and Japan for key technology in such areas as designing, engineering and styling, lacks the ability to develop unique new models and therefore is unable to continually put new products on the market.

A decline of demand and the increasing competition in the U.S. market, the largest, is another major factor accounting for the export slump of Korean cars. The sales of passenger cars in the U.S. market for the first 10 months this year dropped 4.4 percent compared with the same period last year.

Meanwhile, in the same period, Japan expanded its exports by directly shipping 2.3 million cars and increasing the production at its U.S. plants to 1.8 million cars. This offensive is adding fuel to the competition.

The prevailing view is that it will be difficult for the Korean auto industry, staggering in the export slump from internal and external causes, to soon return to normal.

In order to ensure a sustained growth in exports, the industry is required to have flexibility and resourcefulness in such areas as quality control and market diversification. Some point out, however, that Korean car companies are failing to take basic measures to cope with the growing difficulties in the export markets, and that they make little efforts for qualitative improvements, instead merely eyeing domestic demand as a source of large profit margins.

Electronics

After a continued high growth since the 1970's until it replaced the textile industry as Korea's number one export industry in 1988, the electronics industry has plummeted to a status of low growth since early 1989.

In addition to a host of adverse factors that cropped up to impede its growth, various difficult conditions which the industry had managed to endure roared back all at the same time, slowing down the electronics exports drastically.

Among major factors responsible for the slump are the setbacks in the price competition due to the appreciation of the won currency and wage increases and the stepped-up U.S. and EC restrictions on imports.

Import Curbs, Lowered Profitability

The won currency appreciation this year has again reached a level that cannot be ignored, although it is not as critical as last year (when the won appreciated 15.8 percent). Furthermore, spurred by the strong U.S. dollar, the Japanese yen and German mark appreciated against the won (16.8 percent and 6.3 percent respectively as of the end of October), causing deterioration in competitiveness.

The wage increases following labor-management disputes also worked to choke the industry. Disputes that took place in the first half of 1989 pushed up the labor cost by an average of almost 20 percent, contributing to the worsening of the profit situation.

At the same time, the industry was hard hit by the pressures for import restrictions in the United States and EC countries. Following the dumping decision on color TV and CDP [compact disk player] imports from Korea by the United States, our number one export market, EC

countries even announced administrative restrictions, not to mention quotas, on Korean-made electronics, making trade barriers higher.

The EC announced a 10.2 percent-19.6 percent antidumping tariff on Korean color TV's of 16 inches or smaller toward the end of October. Also, VTR exports to EC countries have come to a virtual halt since the export prices on them were increased by approximately 20 percent in March. The EC quota for microwaves was set at the 1988 export level of 2.2 million units, while that for CPT's [computer program tapes] has been decided to be cut from 1.6 million units this year to 1 million units next year. Furthermore, 20 percent-32 percent and 1.9 percent-3.8 percent antidumping tariffs are levied on CDP's and tapes imported from Korea.

Meanwhile, China announced a ban on imports of 20 electronic-related items, effective May 1989, to protect the domestic industry. At the same time, it decided to reduce the operations of foreign plants in China. As a result, exports to China have virtually stopped.

At the same time, Japan resumed the production of popular-type electronic goods as it regained competitiveness thanks to the weaker yen, making the plight of the Korean electronics industry even more difficult. Especially, Japanese firms are manufacturing popular-type appliances at their plants in Southeast Asian countries for local distributions. They are more price-competitive than Korean-made goods, causing decreases in Korean exports.

Worse yet, Singapore, Hong Kong, Malaysia and Thailand are emerging as strong rivals. Taiwan and Singapore have already made a structural shift in manufacturing, with a focus on computers and other industrial machinery and tools, pressing hard on our electronics companies.

Hard hit by these adverse conditions with no let-up, the electronics industry is growing less and less competitive in the world markets and suffering increasingly heavier blows in exports.

The industry's export targets for 1989 are $7.1 billion in home appliances, $7.4 billion in electronic parts, and $4.1 billion in industrial electronics, totaling $18.6 billion.

The record of electronics exports for the first 9 months of this year is $12.16 billion. While showing an 11.3 percent gain over last year's $10.2 billion, the figure signifies a decline to a quarter in the rate of growth compared with the 1988 rate of 42.3 percent.

It also represents 66.0 percent of the 1988 export target of $18.6 billion; at the current pace, at least 10 percent of the target is likely to be left unfulfilled. The reason is that the situation is worsening as time passes by and export activity is growing more sluggish. In fact, the rate of export gain—23.6 percent in the first quarter of this year—fell to 6.6 percent in the second quarter, then to 5.6 percent in the third quarter.

By Developing Overseas Markets

In the case of home appliances in particular, the exports for the first 10 months of this year marked not more than $5 billion, showing a 1.5 percent fall from the same period of 1988. Unless there is a break such as an improvement in the overseas markets, exports for the rest of the year will be approximately $1.2 billion. Thus, the 1988 export in the appliances sector is estimated at $6.2 billion, which is a 1.7 percent decline compared with the 1988 record of $6.308 billion. So, the appliances sector seems to be in for the humiliation of registering a minus growth, its first ever, this year.

Itemized: color TV's—which grew by an annual average of 31.3 percent for the past 8 years—registered exports for the first 9-month period of not more than $850 million against the annual target this year of $1.4 billion; should this pace prevail, the best that can be expected for this year will be a performance slightly better than 1988. As for radio-cassette sets, the 1989 export is estimated at $930 million, 6 percent lower than the original projection of $1.56 billion. In VCR's, microwaves, refrigerators and washing machines, exports are likely to hover at levels equivalent to 1989 or below.

Geographically, exports to EC countries for the first 9 months of this year amounted to $1.906 billion, marking an 11.6 percent fall from the last year's $2.155 billion.

As exports slowed down, the average rate of operations at electronics firms in the country fell from the 85 percent-91 percent level last year to 80 percent this year.

At the same time, inventories are on the increase because of the stagnation of exports. In the case of VTR's, the stock as of the end of September reached 2.4 million sets, a figure equivalent to a 2-month production for the three major appliances firms. The color TV inventories are also increasing due to the U.S. and EC import restrictions; in the CPT case, the current stock is equivalent to a 3-month supply. The pattern of parts procurement, which used be on a 1 to 3 month basis, has also changed lately; they now order parts for only several days. Parts firms in return have discontinued overtime work while cutting back their orders to small makers. Their explanation is that they maintain minimum-level production just to keep the lines open.

Under these circumstances, major electronics companies such as Goldstar Co., Samsung Electronics and Daewoo Electronics are in a rush to set up operations abroad while holding down domestic projects for new or expanded plants as much as possible. They see such global strategy as the only way to survive.

These companies have their sights set on Southeast Asian countries for their investments.

Samsung put its Thailand plant in operation in July, with an investment of $9 million. It is also building a plant in Indonesia to produce 100,000 refrigerators a year, beginning in April 1990. In Malaysia, it has acquired a long-term land lease for the planned construction of a general appliances plant.

Goldstar Co., after completing its Thailand plant in 1988, began operations of the Goldstar Philippine plant in July of this year. In Malaysia, it is in the phase of a limited production instead of direct investment.

Daewoo Electronics, after finalizing plans to build a massive electronics complex in Indonesia, signed a 60-40 joint venture contract with the Bimantara conglomerate, a leading financial group in Indonesia. The completion of the plant is planned for 1992. Daewoo also embarked on a feasibility survey after deciding to build plants in Thailand, the Philippines and Malaysia either on its own or in joint ventures. In addition, Daewoo this year completed a microwave plant and a VCR plant in France and Britain respectively and these plants are in operation now.

At the same time, electronics firms are planning to expand their efforts to make inroads into the Middle East, Central and South American and Eastern European markets. They are thus attempting to develop new markets as the barriers to industrial nations' markets such as the U.S. and EC countries become higher and the profit situation worsens.

Besides, faced with the continued slump in the electronics exports, each company is racking its brains to develop self-help measures to boost its competitiveness, such as the cost reduction drive, establishment of responsibility management system and the securing of independent technological resources.

Textile

"I am tired of even calling it 'stagnation,'" says a person in the textile business, an industry that suffered the heaviest blows due to the won currency appreciation and other factors since last year. Now, people hear such pessimistic observations as that the whole industry is doomed should this situation be left unabated.

Any slump in exports could stir hopes that it could be covered by increased domestic sales; however, this does not apply to the textile industry with its unique characteristics. It is an industry in which exports lead domestic demand by a 7 to 3 ratio. Unless a breakthrough comes in exports, plants have no alternative but to close down their operations. It is precisely for this reason that they ship their goods first, even at below-cost prices, before trying other alternatives.

The record of textile exports is fairly good compared with other industries, marking $11.1 billion in shipments for the first 9 months of this year. It sees no difficulty in reaching the 1989 target of $15.3 billion.

Ostensibly, the figure makes stories of a hard-pressed textile industry look like a "fuss" about nothing.

First of all, however, this year's export target itself reflects a low 8 percent growth over 1988. It had been forecast that the growth rate would sharply decline compared with the 34.2 percent in 1987 and the 20.4 percent in 1988. Since the industry entered a recession last year, the market conditions were taken into account to a certain extent when the 1989 plans were formulated.

It should also be noted that in the view of industry officials, the cases of exports at below-cost prices have sharply increased as more companies find that they "cannot afford to close down plants."

Of the textile industry groups, textile products exports, which account for approximately 70 percent of the nation's fiber exports, have shown a sharp decline in the growth rate this year.

The United States, which represents the largest market, has a quota system in place under MFA (the multilateral fiber agreement). In addition, it is currently moving to shift from the present seller quota format to a buyer quota format, which will make exporting even more difficult.

Worse yet, acrylic fiber products—exports of which amount to approximately $200 million annually—are currently involved in an antidumping proceeding and there is very little the industry can do about them.

Meanwhile, in the European markets, the local currencies are relatively on the weak side against the U.S. dollar, pushing down the price competitiveness of Korean export firms significantly. In fact, exports declined approximately as much as 30 percent in value.

As the textile goods exports slowed down, cotton spinning and synthetic fiber companies are also suffering from the export slump.

Cotton spinners also report sharp increases in their inventories as exports slow down. The booming market in the past two years had put them in a race for more plants and equipment. Consequently, the industry scale grew from 3.3 million spindles in 1986 to 3.7 million spindles as of the end of September 1989.

This mood has changed lately. In fact, companies are now even unable to dispose of the existing stocks.

The cotton yarn stock of member companies of the Spinning and Weaving Industry Association is more than 14,800 tons, a figure exceeding the healthy level (i.e., stock for 1 week) by as much as 50 percent.

As the stocks piled up, companies such as Choongnam Spinning and Chonbang Co. cut the local cotton yarn prices 10 percent to 20 percent a loop but the prospects for a breakthrough in exports remain just as bleak.

The situation is the same with synthetic fiber companies. In the case of the polyester F (long fiber) group, the largest production item, the combined stock is nearly double the normal average of 10,000 tons. The increasing trend of the inventories is spreading to polyester SF (staple fiber) and nylon yarn.

As for polyester firms, Samyang Co. cut nearly half its daily production of polyester SF from 530 tons to 270 tons. Sunkyong Industries and Cheil Synthetic Textiles are also moving to curtail their operations.

The reason these textile businesses are staggering in the slump is that they just cannot find a way out of the dull exports caused by the global recession and the resultant inactivity at the U.S., Japanese and European markets. The more serious problem, it should be noted, is that they are rapidly losing their competitive edge due to the high three—the high wage, the high raw material price and the high currency exchange rate.

If textile export firms should reflect the rise in the cost from the high three in the export prices, the buyers would be unwilling to sign the contracts. This eventually leads to a reduction in the below-cost exports, for those buyers who used to complain that "the price is too high" would now, in an increasing number of cases, just ask the per-unit price and lose interest right away.

All Textile Businesses Ailing

The hot pursuit by late-starter nations is another headache for Korea's textile export community. Speaking of the U.S. market alone, the Korean and Chinese shares were 12.8 percent and 4.5 percent respectively in 1980. But the gap narrowed in 1987 as the figures changed to 12.7 percent and 9.5 percent respectively.

Besides, the wage increase rate for the textile industry was more than 20 percent. Despite the fact that it was a percentage way over the rates in other industries, the wage level itself remained lower—a factor that explains the industry's particularly conspicuous employee separation rate.

Thus, textile companies are experiencing great difficulties both at home and abroad. Nevertheless, the importance they occupy in the nation's industry is tremendously heavy. Although its proportion in the overall industrial establishment shrank from 39.0 percent in 1970 to 23.2 percent in 1988, at least there is no doubt that the textile industry still represents the driving force of the nation's exports.

Government authorities, recognizing the recent crisis situation, carried out a prolonged study together with academicians and business representatives, and at the end, came up with a "7-year plan for structural improvement in the textile industry." In a nutshell, the message of the plan is that in order for the textile industry to keep developing as a growth industry and secure markets both at home and abroad on a sustained basis, it is urgently required to shift from the present quantity-first structure to a technology-intensive setup.

Along this line, the industry will, first of all, work to bring up the present automation rate of 45 percent to 60 percent in 1995, and to 80 percent by the year 2000. The investment to this end is estimated at 2,584 billion won.

Also, the plan calls for 1,870 billion won in investments by 1995 to create additional facilities for 1,020 tons of synthetic fiber a day and for 630,000 spindles in cotton spinning and 270,000 spindles in wool production.

For a qualitative upgrading of products,the plan calls for development of 40 kinds of new materials on an yearly basis, and for raising the ratio of high-class goods from the present 15 percent to 30 percent in 1995 through stepped-up research activity.

The industry's strategy for diversified markets is to expand direct trade with China, expand joint venture investments in Eastern European nations and encourage exports by companies with interests in overseas investments.

Thus, as conceived by government authorities, the projected restructuring will earn the nation $23 billion in textile exports in 1995, which will be the second largest in the world; and 10 trillion won in domestic sales, which will lift Korea to the world level.

In short, the unanimous view of all the interested parties is that the textile industry should walk on the road of development through restructuring, not the path of a declining industry.

New Assembly Committee Chairman Named

SK2202075490 Seoul YONHAP in English 0656 GMT 22 Feb 90

[Text] Seoul, Feb. 22 (YONHAP)—Kim Tong-yong, floor leader of the ruling Democratic Liberal Party (DLP), was elected to chair the National Assembly Steering Committee during a plenary session Thursday.

O Han-ku, a DLP lawmaker, was selected to head the Home Affairs Committee while Han Kwang-ok, a lawmaker of the Party for Peace and Democracy, to chair the Labor Committee.

The three posts were left vacant after the ruling Democratic Justice Party had merged with opposition Reunification Democratic Party (RDP) and New Republican Democratic Party to create the DLP.

Brunei, Malaysia & Singapore

Malaysia

Ministry Says No CPM Applications Received

BK2702081190 Kuala Lumpur BERNAMA in English 0706 GMT 27 Feb 90

[Text] Kuala Lumpur, Feb 27 (OANA/BERNAMA)—The Home Affairs Ministry has not received any application from former members of the Communist Party of Malaya (CPM) to enter the country since the outlawed organization signed the peace accord with the government.

Home Affairs Ministry Secretary General Wan Sidek Wan Abdul Rahman said in a statement released here Tuesday that there should be any application [as received], the government would consider them in accordance with the requirements of the country's laws. There have been reports in some foreign press which said that a number of former CPM members were applying to enter Malaysia and involve themselves legally in Malaysian politics.

Wan Sidek said that the Home Affairs Ministry, in close cooperation with the Thai authorities, were now implementing the provisions of the agreement signed in Hat Yai, southern Thailand, on Dec. 2 last year. A total of 1,091 former CPM members have left their jungle bases since Feb 22, he added.

Wan Sidek also said that to-date, the CPM had destroyed more than 1,120 firearms, 80,370 rounds of ammunition, 390 handgrenades, 1,650 land-mines and 3,860 detonators within the vicinity of the four "peace villages" in the Thai provinces of Yala and Narathiwat. The destruction was witnessed by Thai and Malaysian authorities.

He said that action was also being taken to clear booby-traps in areas along the Malaysia-Thai border.

Commentary on ASEAN Intent for Cambodian Peace

BK2702123190 Kuala Lumpur International Service in English 0800 GMT 27 Feb 90

[Station commentary]

[Text] Over the past 10 years, various ideas and plans have been examined with a goal of bringing about a durable peace in Cambodia. While the pace of change has been very slow, however, the fact that Vietnam did withdraw its troops from Cambodia marked an important milestone on the road to peace. Now the various Cambodian factions are meeting in Jakarta and conducting yet another round of informal talks.

Malaysia has always expressed support for any endeavor that will bring the rival factions together. Malaysian prime minister, in putting forward the idea for close proximity talks some years ago, stated a simple truth. Ultimately, peace could only come from the express will of the Cambodian people themselves. Many are happy that at least there is some hope of a UN involvement in the Cambodian peace plan.

The fact that the five permanent members of the UN Security Council were unanimous in their endorsement of a UN presence in Cambodia is an ever more positive development. If the meeting in Jakarta can arrive at more positive terms of agreement, the world will be convinced that peace is just around the corner. It is a cause for satisfaction that Hun Sen has assented to the UN presence to organize elections. However, he does not want it to govern the country. It is this point that might lead to a deadlock. The Hun Sen regime regards itself as the successor to the Vietnamese administration of Cambodia. It has to be made more aware of and sensitive to the distinct long-term advantages of greater UN involvement. To cling on selfishly to the meager support that his party commands in Cambodia, Hun Sen is delaying the emergence of true nationhood in Cambodia. But similarly, the Khmer Rouge has to be persuaded to adopt an approach more acceptable to the international community.

In this respect, much depends on the willingness of Chinese leaders to stop the flow of arms and supplies to their alien clients, the Khmer Rouge faction. Anyone reviewing events in Cambodia since the Vietnamese withdrawal may feel that there is no end to the twists and turns of political and diplomatic moves. But the ASEAN member states will not and cannot afford to give up the quest for a durable peace settlement in a neighboring country. There have been a number of settlements of political crises in different parts of the world. The overall international climate is highly conducive for peace and stability. Even the superpowers that used to be divided in outlook and ideology are inclined to be more cooperative.

ASEAN wants to take advantage of this favorable opportunity. Similarly, Australia has always had close contacts with the Southeast Asian region. It has produced a comprehensive plan for Cambodian stability and nationhood. Hopefully, this work will not be in vain.

However, even if the Jakarta informal talks do not result in total success, ASEAN will not give up its commitment to helping Cambodia to achieve unity and nationhood.

Cambodia

'Victory' in Battambang Province Reported

BK2702121990 Phnom Penh Domestic Service in Cambodian 1100 GMT 27 Feb 90

[Report from the front line]

[Text] According to news reports from the front line, the remnant bandit forces of the three Khmer reactionary groups, despite being repeatedly smashed and put out of

action by our people's Armed Forces, continue stubbornly to sneak into our territory in a gross attempt to loot our foodstuffs and property and conduct sabotage activities against our people, especially along the Cambodian-Thai border. However, all these infiltration attempts and sabotage activities have been foiled and punished by our people's Armed Forces.

In fact, on 25-26 February our people's Armed Forces launched a sweeping operation around the Treng area in Battambang Province. We killed 62 Polpotists and seized 24 assorted weapons, including two 100-mm mortars, two 120-mm mortars, five 82-mm mortars, two DK-75's, six B-40's, seven AK's, 12 metric tons of assorted munitions, and other war material. This victory clearly testifies to the superiority of the three categories of our people's Armed Forces. It also shows the weakness and deterioration of the enemy which is advancing toward total defeat.

Attacks in Pailin Region

BK2802133990 Phnom Penh Domestic Service in Cambodian 1200 GMT 28 Feb 90

["Latest news from the Pailin battlefield]

[Text] According to well-informed sources in Battambang Province, our closely coordinated forces launched simultaneous attacks in the Pailin region on 27 February, capturing three areas. During this sweeping operation, 62 Polpotists were killed on the spot, and two 100-mm guns, two 120-mm mortars, five 82-mm mortars, two DK-75's, six B-40's, seven AK's, 12 metric tons of assorted munitions, and a large quantity of material were seized.

Defense Ministry Official Discusses Svay Chek

BK2802081890 Phnom Penh Domestic Service in Cambodian 1200 GMT 27 Feb 90

["Press communique of the Defense Ministry's spokesman"—date not given]

[Text] Our Armed Forces throughout the country, actively enhancing their will to fight, last week launched various offensives against the three enemy groups, successively repulsing them on the battlefields in Banteay Meanchey Province in particular. Through effective deployments of the combined forces, including the regular and regional forces, militia and police forces, and the local authorities and people, and thanks to the fact that we have clearly defined our tasks in this stage of highly upholding the will to fight and win and smash enemy forces in all battle scenes, our heroic army units and their comrades in arms smashed many enemy soldiers and seized a large quantity of war materials.

In sum, during the past week, we put out of action 295 enemy soldiers, including 153 killed, 110 wounded, 27 captured, and five others forced to surrender. Moreover, we seized over 400 assorted weapons and 22 metric tons of DK-75 and DK-82 shells and destroyed 42 metric tons of assorted ammunition, an ammunition depot, four ICOM [expansion unknown] field radios, and a large quantity of war material and documents. On the battlefield in Banteay Meanchey Province, according to still incomplete statistics, between 19 February—the day we began our operation—and 23 February when we recaptured Svay Chek, we put out of action 92 enemy soldiers—70 killed, 17 wounded, another captured, and four others forced to surrender. We seized 400 assorted weapons and 22 metric tons of DK-75 and DK-82 shells and destroyed an ammunition depot containing 37 metric tons of ammunition at O Veng, more than five metric tons of assorted ammunition, two 12.7-mm machineguns, four K-65's, and two M-84's.

It should be noted that between 19 and 22 February, we liberated 10 places, namely Kbal Khting, Kouk Prich, Ta Vong, Svay Khmau, Banteay Siem, Krakaoh, Kamnap, Slar Kram, Ta Ben, and Kouk Khmau. The explosion at O Veng depot which contained 37 metric tons of ammunition lasted for more than two hours. On Banteay Siem battlefield, we destroyed four metric tons of ammunition, two K-65's, and two M-82's.

Bomb Explodes in Capital; No Casualties Reported

BK2602033490 Hong Kong AFP in English 0317 GMT 26 Feb 90

[Text] Phnom Penh, Feb 26 (AFP)—A bomb exploded late Sunday night in the Cambodian capital, police officials on the scene said. Nobody was hurt by the plastic device, they said. No arrests were made when Phnom Penh was rocked by a loud explosion in an open space in front of the Monorom Hotel, where foreign aid workers, visiting delegations and journalists stay, witnesses said. The bomb, apparently a small device, caused no damage. It went off at around 10 P.M. (1500 hours GMT) or about an hour after curfew, the witnesses said. Cambodia's Vietnam-installed governement, which is fighting a Khmer Rouge-dominated guerrilla coalition, has placed this capital city of 800,000 under a nighttime curfew during which the streets become almost deserted.

On January 7, the day marking the 11th anniversary of the fall of the city to the Vietnamese Army, several plastic bombs and grenades exploded here. The Chinese-backed Khmer Rouge claimed responsibility for the incidents which, according to the government here, caused no deaths or injuries. Vietnam invaded Cambodia to topple a Khmer Rouge regime that was blamed for acts of genocide during its fanatical Marxist rule over this Southeast Asian country between 1975 and 1979. The Khmer Rouge is now the military muscle of an anti-Phnom Penh guerrilla coalition which also includes non-communist followers of Cambodia's former monarch Prince Norodom Sihanouk and former Prime Minister Son Sann. Sunday's bomb explosion here came on the eve of regional negotiations on Cambodia in Jakarta where the Phnom Penh government was to be represented by Prime Minister Hun Sen in talks Monday to Wednesday.

Chea Sim Visits Koh Kong Province, Holds Talks

BK2202062790 Phnom Penh Domestic Service in Cambodian 2300 GMT 21 Feb 90

[Text] Recently, Comrade Chea Sim, member of the Political Bureau of the Kampuchean People's Revolutionary Party Central Committee, chairman of the National Assembly and National Council of the Kampuchean United Front for National Construction and Defense [KUFNCD], accompanied by Comrade Ros Chhun, member of the party Central Committee and secretary general of the KUFNCD, and Comrade Maj. Gen. [Major General] (Phong Chan), deputy interior minister, visited the people in Koh Kong Province.

During the visit, Comrade Chea Sim met and held talks with provincial cadres and army combatants, policemen, militiamen, inhabitants, monks, and students in Bak Khlang Commune of Mondolseima District. During these meetings, Comrade Chea Sim expressed great joy and highly valued the comprehensive changes and achievements scored in the past 11 years in Koh Kong Province thanks to the industriousness and great efforts of the people and cadres at all levels, thus concretely contributing to the strength and victory of the State of Cambodia in national defense and construction. Comrade Chairman Chea Sim also referred to the traditions of valiant struggle of Koh Kong people of all generations since the struggle against [words indistinct], U.S. imperialists, and the traitorous Pol Pot-Ieng Sary clique. The comrade chairman stressed that Cambodians do not want war because war brings nothing but destruction and the loss of lives and property. People in the world also do not want war, thus they have made every effort for peace. Therefore, the fervent desire of Cambodians is nothing else but to live in peace.

Comrade Chea Sim also called on leaders from all sectors and the people from all walks of life in Koh Kong Province to heighten their sense of responsibility and to actively implement the resolutions of the Party Central Committee's 10th Session, the National Assembly's 18th Session, and government-party policies. In addition to this, with regard to building the armed forces, it is imperative for the young, who are responsible for national destiny, to persuade their parents to continue sending their husbands and sons to serve the army or militia units to defend their localities.

During his stay, Comrade Chairman Chea Sim also visited various important economic areas such as the provincial (?trade) company which is in charge of foreign and domestic trade exchange, the powder detergent factory, the crab factory in Bak Khlang market, and the construction site of the Cambodian-Thai friendship road.

Ney Pena Visits 196th Division Along Border

BK2802093790 Phnom Penh Domestic Service in Cambodian 1300 GMT 27 Feb 90

[Text] On 24 February, Comrade Ney Pena, member of the party Central Committee Political Bureau and chairman of the Central Propaganda and Education Commission, accompanied by Comrade Kim Yin, member of the party Central Committee and director general of the Voice of the Cambodian People's Radio; Comrade Ung Sami, member of the party Central Committee and secretary of the Battambang Provincial Party Committee; Comrade Him Chhem, deputy minister of information and culture; and Comrade Kep Chutdema, vice-chairman of the Central Propaganda and Education Commission, visited cadres and combatants of the 196th Division stationed along the border of the motherland.

After Comrade Colonel Peou Saran of the division's command reported on the developments in the division, the enemies' maneuvers, and the brilliant results of the sweep operations launched against the genocidal Pol Pot clique, Comrade Ney Pena highly commended the great efforts and sacrifices made by members of the 196th Division who not only successfully contained the situation, but also launched an offensive against the enemies, winning a number of victories, thus enabling our people to become even more confident in Cambodia's own forces and strengthening our advantageous position and strength. Comrade Ney Pena added: Despite successive defeats, our enemies have not changed their strategic schemes. They continue to sabotage our people's peaceful life. Therefore, the 196th Division must use combined forces and combined measures effectively to blend the people and the army like fish and water. Members of the division must respect, serve, and have confidence in the people. The delegation also presented gifts, including radio sets, medicine, cigarettes, tobacco, commodity goods, and a quantity of money, to cadres and combatants of the 196th Division.

Sim Ka Receives CPSU Control Commission

BK2802095990 Phnom Penh Domestic Service in Cambodian 2300 GMT 26 Feb 90

[Text] At the invitation of the Control Commission of the Kampuchean People's Revolutionary Party [KPRP] Central Committee, a five-member delegation led by Comrade female Nizovtseva, member of the CPSU Central Committee and vice-chairman of the Control Commission of the CPSU Central Committee, arrived in the State of Cambodia on the morning of 26 February for a two-day official visit to Cambodia.

Greeting the delegation at Pochentong airport were Comrade female Mean Sam-an, member of the party Central Committee, chairman of the Central Cambodian Women's Association, and member of the party Central Committee's Control Commission; and many cadres of the party Central Committee's Control Commission. Afterward, the delegation was cordially and warmly

received at the Chamka Mon state palace by Comrade Sim Ka, alternate member of the party Central Committee Political Bureau and vice-chairman of the KPRP Central Committee Control Commission.

Official Greets Soviet Deputy Defense Minister

BK2802095390 Phnom Penh Domestic Service in Cambodian 2300 GMT 26 Feb 90

[Text] On the 72d founding anniversary of the fraternal Soviet Army and Navy, Comrade Lieutenant General Pol Saroeun, deputy defense minister and chief of staff of Cambodian People's Army [CPA], sent a congratulatory message to Comrade General Mikhail Alekseyevich Moiseyev, deputy defense minister and chief of staff of the Soviet Army and Navy. The message says in essence:

On the 72d founding anniversary of the Soviet Army and Navy, on behalf of cadres, male and female combatants of the CPA general staff, and in my name, I would like to convey fraternal greetings and warmest congratulations to the comrade deputy minister, cadres, and combatants of the General Staff of the fraternal Soviet Army and Navy. We wish the comrade deputy minister, and through the comrade, cadres, and male and female combatants of the general staff of the Soviet Army and Navy, good health, energy, happiness, and new and greater successes in carrying out tasks assigned by the party and government.

Japanese Foreign Ministry Official Pays Visit

BK2302124090 Phnom Penh SPK in English 1058 GMT 23 Feb 90

[Text] Phnom Penh SPK February 23—Masaharu Kono, head of the Southeast Asian Department of the Japanese Ministry for Foreign Affairs, paid a week-long visit to Cambodia ending Thursday [22 February].

During his stay here, the Japanese official had cordial talks with senior officials of the State of Cambodia, during which Masaharu Kono expressed his hope that the Cambodian people would soon enjoy peace. He added that Japan and Cambodia should start to establish relationship.

The Japanese guest also called at the Angkor Wat in Siem Reap-Oddar Meanchey Province, the Tuol Sleng Museum of Pol Pot's genocide, the former royal palace and some economic and cultural centers in Phnom Penh.

Talks With Officials

OW1602131190 Tokyo KYODO in English 1236 GMT 16 Feb 90

[Text] Phnom Penh, Feb. 16 KYODO—An envoy of the Japanese Foreign Ministry started a week-long visit here Friday, discussing conditions in this war-torn country with Kampuchean officials. The envoy, Masaharu Kono, said the talks centered on the economic and social situation in the country. The military situation was not discussed in detail, said Kono, director of the Foreign Ministry's First Southeast Asian Division.

"I'm visiting here on a fact-finding mission and Kampuchean officials are well aware of the nature of my visit," he said after talks with Phnom Penh's Vice Foreign Minister Sok An and Uch Boret, director of the ministry's Asian and Australian Department. Japan and Australia are cochairmen of a committee for the reconstruction of Kampuchea, set up in international peace negotiations held in Paris last year.

Kono arrived Thursday as the first Japanese Government official to visit here since the Phnom Penh government was installed by Vietnam in 1979. Japan recognizes the coalition government of three guerrilla groups as the only legitimate representative of Kampuchea.

Speaking to reporters, Kono also said he may meet with Hor Nam Hong, state minister and top adviser on foreign affairs to Prime Minister Hun Sen before he leaves next Thursday. But Kono ruled out the possibility of meeting Hun Sen, though Kampuchean officials repeatedly said the prime minister is ready to meet the envoy. Kono emphasized this is an unofficial visit.

Phnom Penh To Receive Assistance From Paris

BK1902090290 Phnom Penh SPK in English 0416 GMT 17 Feb 90

[Text] Phnom Penh SPK February 17—Phnom Penh Mayor Thong Khon has in a press conference qualified his recent visit to France as a "fruitful one".

Thong Khon has been back from Paris where he participated in a meeting of the "Association Internationale des Maires et Responsables des Capitales et Metropoles Partiellement ou Entierement Francophones", (AIMF), at the invitation of Mr. Jacques Chirac, mayor of Paris and chairman of the AIMF.

Invited as an observer at the beginning, the Phnom Penh delegation was later adopted at the meeting as full member of this forum, which was attended by 36 countries, Thong Khon added.

During his nearly-three-week stay in Paris, Thong Khon met with Mr. Jacques Chirac and other responsible officials of the French capital. His delegation had working sessions with many services of Paris, including the public corporation of water, the EDF [Electricite de France], the hygienic service, the technical-scientific centre, and a number of firms and enterprises.

Thong Khon said that Mr. Jacques Chirac decided to donate to the city of Phnom Penh five mechanical street-sweeper cars, a picking-up workers car, and school materials and manuals for higher pedagogical education. Paris would receive Phnom Penh cadres and technicians and send its specialists in water conveying, electricity and hygiene under the requirements of the Phnom Penh side. Moreover, Paris would also invite 25 young Cambodians to visit France by June this year.

Sihanouk Guerrillas Claim Two Positions Seized

BK2702112090 Hong Kong AFP in English 1113 GMT 27 Feb 90

[Text] Bangkok, Feb 27 (AFP)—Non-communist guerrillas loyal to former Cambodian monarch Prince Norodom Sihanouk said Tuesday [27 February] they had captured two northwest Cambodian positions from Phnom Penh troops. A battalion of the Sihanoukist National Army's (ANS) 8th Brigade at 11:00 A.M. (0400 GMT) Tuesday overran "important enemy positions" at Kouk Khpos and Ku villages in Samraong district of Cambodia's northwestern Oddar Meanchey Province, an ANS statement said. These two positions were used by Phnom Penh forces to defend the provincial seat of Samraong from the north and have been under attack by the ANS for "many weeks," the statement said. Two other villages—Tonle Sar, a government artillery and tank base, and Kouk Mon—both strategically located on Highway 69, were the only remaining government positions defending the western side of Samraong, the provincial seat, and were under constant attack from the guerrillas, the statement said.

Meanwhile, Prince Sihanouk said in a press release from his new home inside Cambodia that recent defeats by his non-communist allies the Khmer People's National Liberation Front (KPNLF) had been inflicted by Vietnamese, not Cambodian, troops. "Thousands of soldiers and elite officers of the Vietnamese Army, using Russian tanks and heavy artillery, are carrying out offensive operations against the armed forces of the national Cambodian resistance," he said. The resistance claims that Vietnam still has troops in Cambodia, despite Hanoi's insistence that it carried out a complete military withdrawal in September. These claims have not been confirmed.

The ANS said, "Kouk Mon, the last enemy stronghold before Samraong, on the national road 69, is constantly shelled by our artillery units using 107mm, 82mm and 75mm recoilless guns." "In the past 48 hours, our forces killed 43 enemies on the spot" as well as [destroying] one Phnom Penh T-54 tank and one BRT-60 armoured personnel carrier (APC), the ANS statement said. "The fall of Tonle Sar is expected very soon," it said. The ANS claimed it had killed 104 Phnom Penh soldiers and wounded another 50, destroyed one tank and one 103mm field piece, three APC's and two trucks and seized a quantity of arms and ammunition in the two days of fighting. "The ANS forces suffered 12 killed and several wounded," it said. Another contingent of the ANS 16th Brigade also overran two government positions at Bat Roka and Smach villages in Srei Snam district of Cambodia's northern Siem Reap Province, the report said.

Meanwhile, in the neighboring province of Banteay Meanchey, KPNLF guerrillas have evacuated about 1,000 civilians, mostly family members of combatants, from Thmar Puok, the faction's stronghold, Thai military officers said. The officers, based near Thailand's border town of Aranyaprathet, some 250 kilometres east of here, said the evacuation had begun a few days ago, and that the civilians were being moved to Banteay Chhma, just northwest of Thmar Puok and near the Thai border. KPNLF sources here and in Aranyaprathet have not confirmed the report. Thai military sources at the border have said that Thmar Puok may soon come under attack by a Phnom Penh mechanized column, which successfully seized the KPNLF stronghold of Svay Chek, some 18 kilometres to the south, on Friday. The KPNLF battlefield region is about 100 kms south of the ANS Samraong front.

Sihanouk Says One-third of Territory Liberated

BK2602011890 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 25 Feb 90

[Text] In a written statement dated 21 February in Bangkok, Samdech Norodom Sihanouk, leader of the Cambodian national resistance movement and president of Cambodia, pointed out that Cambodian national resistance forces have currently attacked, liberated, and controlled one third of Cambodia's territory. The samdech rejected the deceitful propaganda of the Hanoi Vietnamese aggressors and their puppets—Vietnam's lackeys and traitors—which boasted that Vietnam's puppets and lackeys control 90 percent of Cambodian territory. This is only deceitful propaganda to dupe popular opinion.

Sihanouk To Remain in Cambodia 'Permanently'

BK2402025490 Bangkok BANGKOK POST in English 24 Feb 90 p 6

[Text] Countering remarks that he could not live away from luxuries he has been used to during a decade in exile in posh palaces and deluxe hotels, Prince Norodom Sihanouk yesterday insisted that he would remain "permanently" in the liberated zones in northwestern Cambodia near the Thai-Cambodian frontier.

"In the future you can check, each month and each week. After requesting an audience with me, you can come back and see me here," the Prince told reporters who followed him for his first official homecoming.

An army of media representatives were yesterday taken to a place which the resistance claimed to be Samrong District of Oddar Meanchey province inside Cambodia.

Upon arrival at the site, the Prince crossed a ditch marked with a sign in English and Cambodian saying "Cambodia".

Prince Sihanouk, who enjoys jazz music, filmmaking and the high-life in capitals across the world from Paris, to Beijing, and Pyongyang, will live in a thatched-roof cottage surrounded by bunkers of ANS [National Sihanoukist Army] troops.

"You must believe me when I say I love my country. How can you be suspicious of my patriotism?" he asked.

Thai military officials said Prince Sihanouk's house is located in Phum Sereipheap (Freedom) village, which is next to the border.

The area where the homecoming ceremony took place yesterday, according to the Thai officials, is within Thai territory, near a village in Kap Choeng District of Surin province.

The military officials said the "Cambodia" sign would later be removed from Thai soil.

Reporters were told not to stray off the path because there could be landmines in the area.

In an emotional homecoming speech, the Prince said he had always wanted to live in Cambodia but could not do so until now, after his army had managed to stabilise the liberated zones.

"All Cambodians want to live and to die in Cambodia.

"I'm 68, I feel more and more that I might die on foreign soil, even on very friendly soil like China, North Korea.

"I want to have the possibility to die here on Cambodian soil," the Prince said in a resolute tone.

"It's also great encouragement for my people and for my army to see that the leader and the father is with them to see that they are fighting so well.

"If they always see Sihanouk in Paris, Beijing and Pyongyang, it's not good," he said.

Calling the occasion a "tremendous new turning point," for the liberation armed forces and his people, the Prince said the Cambodians in camps inside Thailand are now welcome to join him in the liberated zones.

"Even in Svey Rieng and Kampot (in Cambodia), there are now people knowing that I'm going to stay here definitely and permanently in Cambodia.

"They are going to leave their provinces to be with me," Prince Sihanouk said.

Asked whether he would leave his new home to travel to Bangkok occasionally, the prince said he would leave only when he has a toothache.

Sihanouk Voices Resistance Stand on Peace

BK2002040090 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 19 Feb 90

[Text] On 17 February, Samdech Norodom Sihanouk, leader of the Cambodian resistance movement and president of Cambodia, told reporters in Bangkok that the Cambodian tripartite resistance forces love peace and do not want to fight a war. They are happy to attend talks anywhere in order to achieve genuine peace for Cambodia, but certainly not the fake peace now maneuvered by Vietnam. He further said that the tripartite alliance does not object to Australia's proposal but demands a simultaneous dissolution of the Coalition Government of Democratic Kampuchea and Vietnam's puppet regime in Phnom Penh and the establishment of a four-party coalition government. Afterward, a UN administration can take over in Cambodia before general elections. The Cambodian tripartite alliance absolutely opposes a Vietnam's puppet administration in Phnom Penh retaining some organizations and personnel under the pretext that the United Nations lacks technical and administrative specialists. This is certainly not just.

Concerning the situation on the Cambodian battlefield, the samdech said that the Cambodian national resistance forces have scored major and extensive military victories. The fighting spirit of the Vietnamese and puppet soldiers is low, and they cannot oppose the tripartite attacks.

Vietnam Establishes Two 'Consular Offices'

BK2502025990 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 24 Feb 90

[Excerpt] [Passage omitted] The Vietnamese enemy aggressors have recently set up two offices which they call consular offices, one in Kompong Speu provincial seat and the other in Kompong Som city. These two Vietnamese consular offices are in fact Vietnam's command posts for giving orders and organizing the Vietnamese aggressor forces and those of the puppets to oppose our national resistance forces' activities. Each consular office of the Vietnamese enemy has a staff of between five and 10 Vietnamese experts and hundreds of other personnel and defense staff.

On 18 February, a Vietnamese commander named (Nam Nhang), who is in charge of these two consular offices and also their joint commander, ordered Vietnamese experts at the consular office in Kompong Speu town to lead Vietnamese and puppet soldiers to carry out activities to oppose our national resistance forces in Thpong, Phnum Sruoch, and Samraong Tong Districts; another part of these forces was dispatched to lead the fighting in Leach District, called Phnum Kravanh District, particularly along Route 56 in Pursat Province. The consular office in Kompong Som city is currently giving orders to Vietnamese and puppet troops to lead the fighting and carry out activities to oppose our national resistance forces in Prey Nop District, Kampot Province, and in Koh Kong Province, particularly in Thmar Bang District and the areas around Koh Kong town in Koh Kong Province.

Army Commander Notes SRV Troop Deployments

BK2702014890 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 26 Feb 90

[26 February "press communique" of the National Army of Democratic Kampuchea Supreme Command on Vietnamese Troops Sent to Cambodia in February]

[Text] The National Army of Democratic Kampuchea Supreme Command would like to issue this communique rounding up fresh Vietnamese troops the Hanoi Vietnamese clique sent to the battlefield of aggression in Cambodia in February 1990. In early February, 180 Vietnamese soldiers were dispatched to Kratie Province. Between 5 and 9 February, 1,000 troopers were sent to Battambang town. On 12 February, 600 soldiers were dispatched to Leach district seat in Pursat Province. On 19 February, 300 soldiers were sent to Prey Nop district

seat in Koh Kong Province. In sum, 2,080 fresh Vietnamese soldiers were sent to the battlefield of aggression in Cambodia in February 1990 by the Hanoi Vietnamese aggressor clique.

The Hanoi Vietnamese aggressor clique's unilateral troop pullout from Cambodia without genuine supervision of a UN control organization at the end of September 1989 was merely a deceitful maneuver to dupe world opinion. The truth is that on the battlefield, a large number of disguised and hidden Vietnamese aggressor troops continue to occupy Cambodia and cooperate with their puppet forces and directly take part in fighting against Cambodian national resistance forces daily on every battlefield, particularly in western Cambodia, such as on the Battambang-Route 10 and Siem Reap battlefields along National Routes 6 and 5 and the section of the railway line between Battambang and Pursat town.

This clearly shows that the Hanoi Vietnamese clique is not going to give up easily its policy of aggression in Cambodia. Although it has encountered great and serious difficulties and successive serious setbacks on the battlefield of aggression in Cambodia; although it has been denounced and condemned by the international community, particularly 124 countries at this year's 44th UN General Assembly; and although the world has been pressuring and firmly demanding that the Hanoi Vietnamese aggressor clique solve its war of aggression in Cambodia politically, comprehensively, and definitively—the Hanoi Vietnamese clique still persists in carrying out all kinds of deceitful and tricky maneuvers to dupe people and continue to wage a war of aggression and occupation in Cambodia and also to continue implementing its Indochinese federation strategy.

[Dated] 26 February 1990

[Signed] The National Army of Democratic Kampuchea Supreme Command

Sihanouk Blames SRV Troops for Recent Attacks

BK2802130490 (Clandestine) Voice of the Khmer in Cambodian 1100 GMT 28 Feb 90

[Text] His Royal Highness Samdech Norodom Sihanouk, president of Cambodia and head of the Cambodian national government, stated that it was Vietnam's seasoned troops using Soviet-made tanks and cannons and not the Heng Samrin regime's soldiers who launched the latest attacks on Cambodian resistance forces. He made this remark in a communique correcting reports transmitted by some radio stations claiming that Heng Samrin troops launched the attacks that caused some losses to the Cambodian resistance forces. He went on to say that in his capacity as Cambodia's legitimate president, he condemned Vietnam for continuing to commit aggression against Cambodia and for not giving up the attempt to colonize Cambodia through its war against the Cambodian population and Cambodian resistance fighters and through gradual annexation of Cambodian territory.

Son Sann Rejects Elections Under Heng Samrin

BK2502070390 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 24 Feb 90

[Text] His Excellency Son Sann, president of the Khmer People's National Liberation Front and prime minister of the national government of Cambodia, said prior to his departure for the meeting in Jakarta that an election under the communist Vietnamese-Heng Samrin regime in Phnom Penh is unacceptable. In an interview given yesterday to the Voice of the Khmer, His Excellency Son Sann said the Heng Samrin-Hun Sen regime must join with the other Cambodian groups in arranging an election and must not persist only in maintaining the illegal regime installed by Vietnam. Earlier, His Excellency Son Sann said the elimination of the Heng Samrin regime does not mean rejecting the personnel in this regime, but elimination of the structure of this illegal regime is to be done simultaneously with that of the Khmer Rouge regime so the elections can be held in a fair manner.

His Excellency Son Sann also rejected the proposal for the division of Cambodia into two parts as Vietnam and Mr. Hun Sen want. In this interview, His Excellency Son Sann also spoke on the problem of the Vietnamese troops and immigrants in Cambodia. Asked if he thinks the Jakarta meeting next week will be successful, His Excellency Son Sann said he expects that before the meeting Mr. Hun Sen will think of the Cambodian people's interests and not of those of the Hanoi authorities.

Resistance Forces Withdraw From Thmar Pouk

BK2802013590 Bangkok THE NATION in English 28 Feb 90 p 1

[By Kokhet Chanthaloetlak]

[Text] Aranyaprathet, Prachin Buri—Cambodian resistance guerrillas loyal to former premier Son Sann have withdrawn from their key stronghold of Thmar Pouk, about 30 kms from the Thai border, to avoid an attack by "battle-hardened Vietnamese mercenaries."

The Khmer People's National Liberation Front (KPNLF) officers said that special warfare Vietnamese combatants, whom they called Dac Cong, were paid 7,500 riels a month (about Bt [baht] 750), compared to the monthly salary of 3,000 riels (about Bt300) paid to a regular Vietnamese soldier. Both the Dac Cong and the regular Vietnamese fighters were wearing Cambodian army uniforms, the resistance officers said.

The resistance officers said they had no reports on the number of Dac Cong mercenaries who took part in the offensive against the KPNLF's former stronghold of Svay Chek, some 20 kms south of Thmar Puok along Highway No. 69.

The KPNLF officers said they decided to retreat from Thmar Pouk because of the expected attack, which intelligence reports said would include chemical weapons used by government troops. The district town

had been captured from government troops by the KPNLF following the withdrawal of Vietnamese troops last September.

"We also wanted to avoid the heavy casualties we would have incurred if we had dug in at Thmar Pouk," said one officer, who said that the resistance fighters would return to guerrilla tactics in countering the government's military offensive.

The officers said the government troops had taken control of Thmar Pouk and were heading for Oddar Meanchey province to the north to attack strongholds of guerrillas loyal to former monarch Prince Norodom Sihanouk. The Sihanoukist fighters have established a hold over a strip of northwestern territory in the province opposite Kap Choeng district of Surin province in Thailand.

SRV's Indochinese Federation Strategy Outlined

BK2502120790 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 23 Feb 90

[Station commentary: "The Hanoi Vietnamese Enemy Cannot Cover Up its Indochinese Federation Strategy"]

[Text] A few days ago in Bangkok, Vietnamese Ambassador Nguyen Trung said that Vietnam invaded Cambodia at the end of 1978 because the Khmer Rouge attacked Vietnam on Vietnamese territory. This is a deceitful statement by the Hanoi Vietnamese in an attempt to cover up their ambition of annexing Cambodia through Vietnamese strategies set up by the late Ho Chi Minh's Indochinese Communist Party in 1930 for a small, medium, and large Indochinese federation. However, Nguyen Trung, Nguyen Co Thach, or any other Hanoi Vietnamese—no matter how good they are at carrying out deceitful propaganda—cannot cover up their Indochinese federation strategy.

The international community, particularly countries in the region, know Vietnam very well. Throughout its existence, Vietnam has been implementing policies to annex the territory of neighboring countries. In the 17th century, Vietnam annexed a country named Champa, now central Vietnam. In the 19th century, Vietnam annexed Kampuchea Kraom [former Cambodian territory], now south Vietnam. After toppling the Nguyen Van Thieu government in 1975, the Hanoi Vietnamese expanded and annexed South Vietnam, then Laos. After South Vietnam and Laos, Vietnam attempted to annex Cambodia as well in order to implement its small Indochinese federation strategy. At that time, the Hanoi Vietnamese leaders used flattery, threats, and intimidation to make Cambodia submit and accept Vietnam's Indochinese federation the way the Lao Government of Kaysone Phomvihan did. However, Democratic Kampuchea refused; Democratic Kampuchea wanted independence, sovereignty, and the right to self-determination.

Failing in its flattery, threats, and intimidation, Vietnam attacked Democratic Kampuchea militarily. In May 1975, Vietnam annexed Cambodia's Wai Island and used military forces to successively annex Cambodian territory in many parts of Kampot, Takeo, Svay Rieng, Kompong Cham, Kratie, Mondolkiri, and Ratanakiri Provinces. The National Army of Democratic Kampuchea [NADK] was compelled to fight the Vietnamese aggressors in order to defend the people and the country's sovereignty; it successively routed the Vietnamese aggressor troops.

In December 1977, Vietnam launched a large-scale attack on Cambodia, using up to 14 divisions of troops, including five of its elite divisions, in an attempt to seize Cambodia in a blitzkrieg. However, this large-scale attack was completely repulsed by the NADK. Failing to annex Cambodia by itself, on 3 November 1978, Vietnam signed a military cooperation treaty with the Soviet Union and on 25 December 1978, they invaded tiny Cambodia together in an even larger operation in an attempt to annex Cambodia in a blitzkrieg. However, they failed. Thus, hundreds of thousands of Vietnamese aggressor troops are fighting a war of aggression in Cambodia to this day—it is 11 years now and this war is still going on—with the aim of achieving the ambition of annexing Cambodia. Therefore, events along the Cambodian-Vietnamese border between 1975 and 25 December 1978, when Vietnam invaded and occupied Cambodia, did not start with the NADK attacking Vietnam but originated in Vietnam's ambition to annex Cambodia through the strategies of the late Ho Chi Minh's Indochinese Communist Party for a small, medium, and big Indochinese federation.

Now Nguyen Trung has said that even if the Khmer Rouge—that is Democratic Kampuchea—return to power, Vietnam will stop committing aggression against and invading Cambodia, and will abide by a solution proposed by Vietnam—namely, a solution requiring the Cambodian people to hold elections under the puppet regime. Can one believe this statement by the Vietnamese Nguyen Trung? No one can believe the Hanoi Vietnamese's empty words. In 1966, Pham Van Dong, on behalf of the SRV Government, and in 1967, Nguyen Huy Tho, on behalf of the provisional government of South Vietnam, solemnly declared respect for Cambodia's territorial sovereignty. However, in 1975, when the war in Vietnam ended, Vietnam nibbled at Cambodian territory along Cambodia's land and maritime borders until it launched the large-scale attack on Cambodia on 25 December 1978.

Now, over 200,000 Vietnamese troops are stationed in Cambodia. For the past 11 years, the United Nations, the world's supreme organization, has called on Vietnam to withdraw. Vietnam has refused. Instead, Vietnamese troops have taken off their pith helmets and Vietnamese Army uniforms and have changed into the puppet troops' uniforms in order to disguise themselves and stay in Cambodia forever. In this situation, how can one believe Nguyen Trung's statement? The international community, like the Cambodian people, has determined that free and democratic elections can be held in Cambodia only when:

1. Vietnam withdraws all of its troops and all types of aggressor forces from Cambodia under the supervision of the United Nations and the four Cambodian parties.

2. All levels of the puppet administration are dissolved to set up an equal four-party provisional government headed by Samdech Norodom Sihanouk so that Cambodian people of every political leaning can vote freely and democratically.

VODK Reaffirms Call for Effective UN Role

BK1902092290 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 18 Feb 90

[Station commentary: "What Kind of Role the Soviet Union, Vietnam, and Their Puppets and Lackeys Will Give the United Nations"]

[Text] Lately, Vietnam, the Soviet Union, and their puppets and lackeys in Phnom Penh have been yelling about the role of the United Nations in solving the Cambodian problem. What kind of role are these people planning to grant the United Nations?

On 12 February, after attending the meeting on the Cambodian problem of the five UN Security Council members at the office of the United Nations, Soviet delegate Yuriy Misha Konits told reporters that the UN administration should be set up on the basis of the puppet regime's infrastructure. He further affirmed that this puppet regime will not be dissolved. On 15 February, Vietnamese Foreign Ministry spokesman Ho The Lan also specified that Vietnam absolutely opposes the dissolution of its puppet regime in Phnom Penh. This means that Vietnam lets the United Nations set up an administration or organize elections in Cambodia within the framework of the puppet regime. This is the role that Vietnam, the Soviet Union, and their puppets and lackeys are going to grant the United Nations. With this kind of role, can the United Nations effectively carry out its tasks? No, it cannot, because if the puppet regime Vietnam has propped up in Cambodia for the past 11 years is still in control in Cambodia, Vietnamese aggressor forces—both military and civilian hidden in the puppet army, at all levels of the puppet administration, and among the Cambodian people—and over a million Vietnamese settlers will continue to occupy Cambodia. Thus, even if the United Nations sends thousands, even tens of thousands of staff, to Cambodia, it cannot effectively carry out its tasks.

The Vietnamese enemy, the Soviet Union, and their puppets and lackey are thus not prepared to grant an effective role to the United Nations. Their steady propaganda about a UN role is only bait to dupe people the way a flower is put in a trap or stuck to a hook to lure a frog to enter the trap or to bite the hook. However, no one would be so stupid as a frog to be tempted by Vietnam's bait. People will continue to pressure Vietnam and the Soviet Union to accept an effective role of the United Nations. In particular:

1. Allow the United Nations to supervise the withdrawal of Vietnamese troops and all kinds of aggressor forces from Cambodia with participation of the four Cambodian parties.

2. The United Nations should ensure legitimate conditions for setting up an equal four-party provisional government headed by Samdech Norodom Sihanouk.

3. The United Nations, in cooperation with this provisional four-party government, will conduct a clear and proper population census.

4. The United Nations will supervise free and democratic elections, and so on.

Only when the United Nations has such a clear and effective role can the Cambodian problem be solved politically, comprehensively, and definitively which would be beneficial to peace, security, and stability in the region and the world.

Comments On UN Statement

BK2002065890 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 19 Feb 90

[Text] At an 11-13 February meeting of the five permanent members of the UN Security Council at the UN offices in New York, a communique was issued on the Cambodian problem. In this statement one point stands out more than others. It specifies that the United Nations should clearly supervise the Hanoi Vietnamese aggressor and occupying forces in Cambodia.

In essence, the fact that the statement clearly says that the United Nations should supervise the Hanoi Vietnamese aggressor and occupying forces and ensure that they are genuinely withdrawn from Cambodia means that the Hanoi Vietnamese aggressor and occupying forces in Cambodia are still there, are fighting in the country and are still occupying Cambodia. Further, it means that without UN supervision of the Hanoi Vietnamese forces currently committing aggression and occupying Cambodia, Vietnam's war of aggression in Cambodia cannot be solved. It also means that if the Hanoi Vietnamese aggressor forces continue to occupy Cambodia disguised as Vietnam's puppets, the Cambodian fighting will continue, and it means that the five UN Security Council members demand that the United Nations supervise the genuine withdrawal of all Hanoi Vietnamese aggressor and occupying forces from Cambodia because people clearly realize that the Hanoi Vietnamese aggressor forces are still carrying out concrete and aggressive activities to occupy Cambodia on the battlefield and throughout the country. Without genuine UN supervision the Hanoi Vietnamese aggressor forces will continue to commit aggression against and occupy Cambodia. This means the five UN Security Council members do not believe Vietnam's unilateral troop pullout in September 1989. This was confirmed in the 16 September UN resolution on the Cambodian problem at the 44th General

Assembly, which clearly said that the Hanoi Vietnamese aggressor and occupying forces in Cambodia should be subjected to UN supervision.

In January 1990, the five permanent members of the UN Security Council also clearly confirmed the presence of Hanoi Vietnamese aggressor and occupying forces in Cambodia. In the statement issued at the January 1990 meeting of the five UN Security Council members, the beginning of the statement clearly says that all of the Hanoi Vietnamese aggressor and occupying forces in Cambodia should be withdrawn from the country under genuine UN supervision.

Continued Soviet Support of SRV Criticized

BK1702081690 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 16 Feb 90

["News commentary": "The Soviet Union Still Supports and Assists Vietnam in the War of Aggression in Cambodia"]

[Text] In the Vietnamese-Soviet joint communique issued in Hanoi on 14 February, it is clearly stated that the Soviet Union continues to support and assist Vietnam and strengthen the cooperation with Vietnam in every field to make it more efficient.

This confirms that the Soviet Union has not lessened its support and assistance to Vietnam in the latter's aggression and occupation of Cambodia. The Soviet Union continues to actively cooperate with Vietnam in the aggression against Cambodia. Thus, the Soviet Union, like Vietnam, is not sincere in genuinely solving the Cambodian problem politically. The Soviet propaganda of wanting to solve the Cambodian problem politically and wanting Southeast Asia to enjoy peace and stability is just deceitful propaganda to dupe international public opinion.

Laos

Party Members' Role in Restructuring Examined

BK2202062990 Vientiane Domestic Service in Lao 1200 GMT 7 Feb 90

[PASASON article: "The Leading Role of Party Members in the Cause of Restructuring in Our Country"—date not given]

[Text] The Lao multiethnic people admit that many factors contributed to the Lao revolution victories that we have scored in the past half century. The primary factor was the correct, clear-sighted leadership of the Lao People's Revolutionary Party [LPRP], inheritor of the majestic causes of the former Indochinese Communist Party. The LPRP set a path, prescribed every smooth step for each period of the Lao revolution, and developed suitable patterns of operation, thus enabling it to settle all fundamental conflicts in Lao society at the time. In other words, our party played a leading role in fulfilling the multiethnic people's urgent needs and strong aspirations, driving away the colonialist aggressors, liberating the country, and striving for national independence. It is obvious that the party's leadership was the decisive factor in the Lao revolution.

In the revolution's new era, the leading role of our party, as the organization responsible for the destiny of the entire nation and people, has become heavier. As the current world situation changes in a perplexing manner, and particularly as the imperialist and reactionary forces collude with each other to subvert and destroy us in many areas, our country must adopt a correct revolutionary path and plan, take the right steps, and adopt a scientific stand compatible with Marxist-Leninist theory and the special character of our country's situation.

Another important, crucial problem is that we must try to improve and strengthen our party in the political, ideological, and organizational spheres and ceaselessly enhance its extensive leadership in politics, economy, national defense, public security, culture, technology, and sciences, thus upgrading our party's leadership in line with the six fundamental principles set by the party and the requirements of the party's political functions, and unifying lines of thought and action with a strong determination. In light of the urgent immense requirements of the task of restructuring—the ultimate goal of which is socioeconomic development to enhance efficiency and gradually improve the multiethnic people's living conditions—the rank and file of cadres and our party members must try to move ahead and enhance their creativity to fulfill the party's targets through the new work method and to score achievements efficiently.

During the period of the national democratic revolution, our party called on its members to be ready to sacrifice their lives for the cause of national liberation. Now, it calls on the rank and file of cadres and party members to be conscious of communist ideology and be highly determined to modify their line of thinking with the party's new concept to upgrade our scientific knowledge in organizational, leading, and management undertakings and to enhance the party's role and position in the cause of restructuring. Our cadres and party members must, therefore, be aware of these requirements.

As the scientific and technical revolution rises to its peak, the world situation is becoming quite complicated and confused. Therefore, our party members must be firm and confident in the revolution's future, highly unified with the party Central Committee, and determined to strive to creatively expand their knowledge, which can be manifested by their efficiency. Since its birth, our party has always paid a great deal of attention to implanting revolutionary morals among party members and has urged them to strengthen their leading role and set an example in all spheres of work.

Having been tested and tempered, and clinging to noble revolutionary morals, our party members have mobilized the masses in their localities to faithfully implement the party's and state's plans and policies and to set good examples in their work, combat, and lives.

Unfortunately, a number of party members have been corrupted and contaminated by the disease of bureaucracy, lacked discipline, failed to maintain contact with the masses, violated the country's laws and orders, mingled indiscriminately with friends and enemies, upheld only their own interests, disregarded the public's interests, and practiced nepotism. This enables the enemies to sow discord in the country. Therefore, our party must take decisive action to check these negative phenomena with measures compatible with the new circumstances. The standards for party members must be prescribed in a more scientific manner. Party members must possess specific levels of knowledge, creativity, and a sense of self-mastery; dare to criticize themselves and their colleagues in accordance with the new concept and admit and correct their errors and shortcomings; and be highly vigilant and behave in a prudent, revolutionary manner that can be seen by their efficiency in carrying out social work and their ability to attract and mobilize the masses to implement the party's policies and plans.

It is necessary for our party to upgrade the quality of party members and enhance their leading role and position in the party's political line of thinking in the cause of restructuring to upgrade the quality of party members and the party's combat potentials. To benefit the cause of restructuring—apart from paying attention to the education of the rank and file of party members who have been tested through their contribution to the struggle for national liberation in the two historical periods of national defense and construction—we can exploit existing conditions to recruit as party members outstanding laboring people who have enthusiastically participated in the task of restructuring, workers, farmers, intellectuals, craftsmen, soldiers, cadres, and state employees in every sphere of social work. At the same time, we must decisively eliminate corrupt party members who have impaired the party's role and position. Only by so doing, will we be able to make our party strong, enhance the party's leadership, and increasingly win the confidence of the broad masses.

Phoumi Vongvichit Addresses Buddhist Clergymen

BK2202053390 Vientiane Domestic Service in Lao 0000 GMT 21 Feb 90

[Text] Yesterday afternoon, Phoumi Vongvichit, member of the Lao People's Revolutionary Party Central Committee Political Bureau, acting president of the Republic, and chairman of the Lao Front for National Construction Central Committee, addressed Buddhist monks and novices from Vientiane municipality. Phoumi Vongvichit discussed changes in the world in certain fields and the situation in the country in general. He particularly stressed the contents and spirit of the ninth resolution of the fourth party Central Committee.

Phoumi Vongvichit said: It everyone's duty to study and profoundly understand the resolution and then put it into actual practice. In this regard, everyone must promote and expand the patriotic tradition and cherish the new system, maintain vigilance to crush all enemy schemes, persist in effecting new changes on the basis of the party's six-point revolutionary principles, fulfill basic tasks set forth by the fourth party congress, and promote and expand the popular democratic system. He also noted: Overall, monks and novices must make significant contributions to educating and training believers to enable them to profoundly understand and effectively implement the line and policies adopted by the party and state.

Trade, Technology Agreements Signed With PRC

BK2702104990 Vientiane KPL in English 0926 GMT 27 Feb 90

[Text] Vientiane, February 27 (KPL)—A five-year agreement on economic, scientific and technical cooperation and a protocol on exchange of goods for 1990 were signed here on Feb. 26 between the governments of the Lao PDR [People's Democratic Republic] and the PRC.

The signatories to the agreement and protocol were, on the Lao sid Phao Bounnaphon, minister of trade and foreign economic relations and on the Chinese side, Zheng Tuobin, minister of trade and foreign economic relations.

These documents aimed at promoting economic, scientific and technical cooperation between the two countries were reached on the basis of equality and mutual interests and to encourage economic development for both countries. According to the signed documents, the sides agree to tap potential in the following [areas]: timber extraction and processing, the plantation and processing of caoutchouc, coffee and tobacco, agricultural machinery, hydropower station and irrigation, animal husbandry and processing, geological exploitation and mineral processing.

The protocol on the exchange of goods envisages that the Chinese side will import from Laos wood, rattan, wood and rattan products, rubber and others worth 7.2 million US dollars and 50 tons of one type of forest produce; the Lao side will import from China light industry products, fabrics, electrical appliances, machinery, vehicles, electric generators, spare parts, medicines, and others worth 7.7 million US dollars.

The Chinese delegation headed by Zheng Tuobin left here in the afternoon of the same day after its five-day friendly visit to Laos.

The delegation was seen off at the airport by Phao Bounnaphon and other high-ranking officials.

Liang Feng, Chinese ambassador to Lao PDR, was also on hand.

Joint Venture With Vietnam To Be Established

BK2202121990 Vientiane KPL in English 0911 GMT 22 Feb 90

[Text] Vientiane, Feb 22 (KPL)—A joint venture between Laos and Vietnam to be known as LAVICO is to be set up soon in the southern Province of Savannakhet,

according to an agreement reached here on Feb 20 between the export-import companies of Laos and Vietnam.

On trade cooperation in 1990, the agreement stipulates that goods exchange consisting of food, medicines and others between the two sides will be promoted and must ensure timely delivery.

In addition, a trade fair is to be jointly organised at the Lao Bao check point between the Lao province of Savannakhet and the Vietnamese province of Quang Tri.

Goods exchange between the two companies last year reached more than 4 million rubles. The volume of Lao export items was more than that of import by 29.25 percent.

Philippines

Reaction to Bases Joint Use Proposal Reported

Senator Tanada Supports Proposal

HK2602123990 Manila PHILIPPINE DAILY INQUIRER in English 25 Feb 90 p 1, 6

[Excerpt] Sen. Wigberto Tanada yesterday said he would support a proposal for the joint use of the military bases and facilities if this would not mean the extension of their presence here after 1991.

Addressing the annual assembly of the Order of the Knights of Rizal, Tanada also said the state policy of freedom from nuclear weapons should be enforced.

Defense Secretary Fidel V. Ramos had earlier proposed the joint use of the bases by the Philippines and the U.S. after a meeting with U.S. Defense Secretary Richard Cheney on Feb. 19.

But Ramos said his proposal does not endorse the continued stay of the U.S. bases in the country.

Tanada also said he would support the proposal on joint use of the bases if this would not be for military purposes alone but, more important, for the agricultural, commercial and industrial uses of the baselands.

The appropriate baseland areas should also be used for the resettlement of landless fishermen, farmers, Aetas [tribal group] and squatters; for agrarian reform projects and other agro-industrial projects in association or partnership with private sector investors, he said.

Marginal and other fishermen should also be allowed to use Subic bay and nearby waters, and the Philippine government to use the ship repair and docking facilities in Subic, he added.

Tanada said a treaty of friendship, amity and cooperation with the United States should now be prepared by Malacanang in consultation with the Senate. [passage omitted]

Columnist Discusses Proposal

HK2602131790 Manila PHILIPPINE DAILY GLOBE in English 25 Feb 90 p 4, 6

["Free Fire" column by Teodoro L. Locsin Jr: "The Only One Thinking"]

[Text] It looks like Defense Secretary Fidel Ramos is the only one in the administration doing any serious thinking on what to do with the U.S. bases—as opposed to just insulting the Americans.

Secretary Ramos has broached the idea of a joint RP [Republic of the Philippines]-U.S. use of Clark and Subic. He did not propose it; he did not undertake to lobby for it. He raised it as one approach that must be explored unless this government is already committed to an immediate U.S. withdrawal.

As he had said it to U.S. Defense Secretary Richard Cheney, he revealed it to the public. Secretary Ramos apparently takes transparency seriously, unlike the packagers of Roppongi [location in Tokyo of government-owned property]. Cheney's reaction to it was described as tepid; sort of like, "Well, it's a thought." Cheney said he'd bring it back to Washington and throw it to the cat, so to speak, and see what happens. It isn't a new idea and the U.S. has scorned the notion of anything but a strictly American use of the bases. The American military has not been able to digest the idea that the mutual security which the bases guarantee should be reflected in the mutual undertaking of that defense by, for example, sharing the bases' weaponry for joint military objectives, as well as the command and control of the bases. And not just the pizza parlors and hamburger joints.

It has been done in other places. American fighters have been flown by German pilots, its tanks driven by tankmen of the Western Alliance. Which explains why Western European countries gladly suffered the quartering of U.S. troops—which, by the way, went on a rampage when discipline broke down after the Vietnam debacle. They really feel the Alliance has been for their benefit and that NATO is just the latest in a tradition of coalition diplomacy and warfare that runs through Wallenstein to World War I and II. The burden of the common defense, the hazards of battle, are shared; but equally too the dignity of command.

Secretary Ramos has proposed it because he believes the bases should stay. At his meeting with Cheney, he did not try to sell out the country. He came this close to irritating the man with the persistent demand that any cutbacks of U.S. forces in Europe should result in a commensurate increase in the value of U.S. assistance to the Philippines. Which is a non-sequitur, because the cutback of U.S. forces from Europe is not the result of a decision to transfer a war to another front on the globe—say from Central Europe to the Asia-Pacific rim. On the contrary, the U.S. cutbacks are the result of a deescalation of tensions and the mutual acknowledgement of the superpowers that neither side will steal a march on the other. More specifically, the U.S. has all but pledged that whatever problems the Soviet Union may encounter internally, the U.S. will not capitalize on them and will in fact do what it can to allow developments in Eastern Europe and the Soviet Union to unfold at the pace the Soviet Union itself will allow and find reassuring.

As Mrs Aquino has said that she is keeping her options open, Ramos's position does not contradict a capacious stand that can take in almost anything from outright expulsion to a phased withdrawal of the bases. It is not unpatriotic to believe the bases should stay. (It is foolish to believe that Philippine democracy will long outlive their removal for as long as the civilian government is unable to run its military with any degree of control. But that is another matter, and the end of this government, and perhaps even of Philippine democracy, is not of course the end of everything.)

But what Secretary Ramos has broached is interesting for being the only other alternative to the total withdrawal of the U.S. following the removal of the bases. The reason is that the bases' days are numbered under the Constitution. It is the policy of the Constitution that it is wrong to have foreign bases on national soil. They are a derogation of sovereignty, a diminution of the power that called the Constitution and the political society it regulates into being. The U.S. bases may stay only pursuant to a treaty, concurred in by the Senate and, if necessary, approved by the people in a referendum. Whereas, the rejection of such a treaty by the Senate ends the matter there. The bases go. That is how strong the constitutional antibases presumption is.

It is arguable also that any treaty cannot provide for the extended use of Clark and Subic as U.S. bases but only for their phaseout. This is the only way to reconcile the constitutional presumption against foreign bases with a temporary foreign presence on native soil. The new treaty would have to be a treaty of withdrawal. And as the period of withdrawal cannot be open-ended, for this would violate the antibases spirit of the Constitution, the treaty must stipulate a term—a term that must be shorter than the period of a regular extension. A 10-year phase out would be not just a violation but a mockery of the Constitution.

Therefore, the bases will have to go—as U.S. bases. But there is nothing in the Constitution that requires us thereafter to have only hostile relations with the U.S. or keep her always at arm's length. Friendship and cooperation can continue. But U.S. forces must thenceforth operate from the forward position of the Philippines only under a defense arrangement that does not smack of the old one—that is, of regular U.S. bases in the Philippines.

The answer to this is a coalition armed forces—an alliance of sorts between the Philippines and the U.S. involving the joint command, control, and use of the alliance's military power, some of which will happen to be situated in Clark and Subic, two Filipino bases. Filipino pilots in American fighters, in the spirit in which Portuguese and German soldiers served under Wellington in Spain, all in the common defense against a general threat to their individual independence.

Whether we shall go that far remains to be seen, but clearly, unless the Executive and Senate are already decided on the expulsion of the Americans, Secretary Ramos is the only one who is giving serious thought to viable alternatives. He deserves to be encouraged, not rebuked.

The rebuke, by the way, killed the notion in Washington.

A man who is not afraid to discuss the unpopular when it is necessary has at least one attribute of statesmanship.

Editorial Supports Idea

HK2702041790 Manila PHILIPPINE DAILY INQUIRER in English 27 Feb 90 p 4

[Editorial: "Ramos 'Talks on Bases' Joint Use Proper, Useful"]

[Text] We see nothing wrong in Defense Secretary Fidel V. Ramos' discussing possible Philippine-United States joint use of military bases in his recent meeting with his American counterpart, Secretary Dick Cheney. So long as no state secret was divulged and no commitments were made by Ramos, such a discussion was proper and constructive.

In assessing the Ramos-Cheney dialog, we note that: (1) Ramos was instructed by President Aquino to sit down with the visiting American official, and (2) Malacanang approved the agenda. The dialog became the high point of Cheney's visit after the President deemed it unnecessary for the visiting Pentagon boss to confer with her. She then delegated to Ramos the task of attending to Cheney.

In this light, it was unfortunate that Malacanang went out of its way to disown joint use as Ramos' "personal" opinion. This was an awkward attempt to make it appear that the Philippine government or at least the President was not offering nor pushing joint use as an option. The rush to repair the imagined damage resulted in a double fumble as Malacanang tried correcting its correction—this time by withdrawing the "personal opinion" version and replacing it with another inspired line saying that what Ramos put forward was his "opinion as defense secretary." Somebody in Malacanang must have broken his back with that fantastic, acrobatic convolution.

General Ramos is not just a defense secretary. When this Cabinet official is directed by the President to sit down with his U.S. counterpart, he is doing so as the alter ego of the President. And, surely, he has instructions. Such shabby treatment as disowning him later on is a crude indication of the amateurism that has characterized the conduct of our foreign relations.

Executive officials are now busy proclaiming that the Philippine government still has not changed its position—that of "options open." Of course. The whole world knows we have not moved from our indecision.

But this does not mean that we are, from this point until we sit down—this April?—for exploratory talks on the bases, stopped from discussing any option at all. Precisely, we should use the waiting or preparatory period to explore all possible variations of options already proposed.

In connection with the Ramos-Cheney dialog, it is unkind to accuse our defense secretary of a sellout when no details of his discussions with Cheney have been made public. It is even possible there are no substantial details to disclose in the first place.

We recap with two points:

One, Malacanang sent Ramos on an important errand and must not now disown him or set him up for ridicule just because one of the many topics he discussed with Cheney met with some criticisms.

Two, it is proper and constructive for the Philippine government to continue studying various options on the bases in its search for one that is truly to the highest interest of the Filipino nation.

Official Sees Pressure on U.S. Over Bases

HK2702025390 Manila BUSINESS WORLD in English 27 Feb 90 p 8

[Text] Department of Foreign Affairs [DFA] officials, despite an "ideal" deadline of October 1990 for the conclusion of a new bases agreement, are betraying no signs of anxiety.

Under prior practice, a bases compensation package would have to be submitted to the U.S. House of Representatives' budgetary appropriations procedures a full year in advance of implementation.

Under this system, bases compensation for 1992 should be submitted by October 1990.

"The pressure's not on us," a ranking DFA official said, "it's on the Americans...without a treaty and without money...they won't have their bases."

The seeming imperturbability to the October deadline indicates an out.

Foreign Affairs Secretary Raul Manglapus pointed to "legal and legislative procedural points which are involved...that require more looking into."

"If we enter into a new treaty," he explained, "signed by their Senate, which therefore becomes law...and part of the body of laws of the U.S. we don't know whether that would still require budgetary appropriation. Perhaps the very act of that legislation itself will appropriate the money."

"It would be a sort of automatic appropriation," a DFA staffer remarked.

Tricky Part

"The tricky part to all this," a U.S. embassy official noted, "is that while the Senate ratifies treaties, it's Congress that allocates funds."

This aspect would be taken up in the exploratory talks which the Philippines has slated for April, a date the U.S. still has to accede to.

Asked why the U.S. was taking it's time on agreeing to the Philippine proposal, Mr. Manglapus replied: "It might be that the (U.S.) State Department has its own reasons. It's deliberating more on the subject.

"After the events of the first week of December as well as during the developments in Eastern Europe, we had no indication of any American initiative to fix a date for the exploratory talks," he noted.

This was later attributed "to consideration on their part...because of the problems that were created by the December event and that they preferred that we make the decision on the time to begin such talks," Mr. Manglapus said, sounding unconvinced.

Cagey play on both sides and barbtrading through the media have heightened tensions and diplomats, especially the Japanese, are expressing some anxiety. "Let's hope this doesn't get out of hand," one said.

For his part, Mr. Manglapus denied any role in President Aquino's decision not to see U.S. Defense Secretary Richard Cheney. "She made up her own mind," he said, pointing out: "I was away when the decision was made."

Asean Stand

Asked to respond to the claim by U.S. envoy Nicholas Platt that the countries of Asean wanted the bases to stay, Mr. Manglapus said that was "nothing new."

"Before I was appointed foreign secretary, U.S. officials had been making reference to the claim that countries in the region would like these bases to stay. That is why," he noted, "in my speech at Fletcher School, I proposed at that time that if this is true why don't we hear about it...from our neighbors."

To this date, only Singapore has made an official statement in support of bases retention here although various Asean parliamentarians during a meet in Manila last year expressed the opinion that the Asean "zone of peace, freedom and neutrality" could not yet be achieved in the near future.

Reacting to Mr. Platt's statement, Indonesian envoy Soewarso Hardjosoedarmo said Indonesia's position "is that of the Bandung Declaration which terms the bases stay here 'temporary'" and that his country would like to see "the U.S. to transfer its bases out of the region."

"We prefer...that they move to someplace like Guam or south to Australia."

Evacuation Help Sought From Papua New Guinea

HK2802034190 Manila PHILIPPINE DAILY INQUIRER in English 28 Feb 90 p 7

[By Jerry Esplanada]

[Excerpt] The foreign office has sought the help of the government of Papua New Guinea in the evacuation of 300 Filipino contract workers stranded in the South Pacific archipelago where rebellion had broken out.

In a report to the home office, Philippine Ambassador Rodolfo Diaz said representations have been made with the host government to "extend protection" to Filipinos stranded in Bougainville.

Bougainville, Papua New Guinea's largest island, lies about 600 kilometers east of Port Moresby, the capital.

Diaz said the Papua New Guinea military "has not succeeded in quelling the rebellion."

"Thousands of people, including foreigners, are believed to have died since the outbreak of the rebellion in late 1988," the envoy told Foreign Secretary Raul Manglapus.

Widespread looting and damage to property were also reported.

He said the rebellion broke out in 1988 following the rejection of local landowners' claims for increased compensation from the Bougainville Copper Ltd, an Australian mining firm operating there.

The Philippine mission had advised Filipino workers to leave Bougainville as early as Jan 24 after sea and air traffic to the island was completely cut off. [passage omitted]

USSR 'Finalizing' Joint Venture Projects

HK2702040790 Manila BUSINESS WORLD in English 27 Feb 90 p 1

[By Felicidad V. Tan]

[Text] The Soviet Union is finalizing four joint-venture agreements with local private firms headed by Rubberworld Philippines, Inc. and the Marikino Footwear Development Council. These ventures are expected to generate close to $100 million yearly.

The joint ventures mark the first time partnerships in these types of consumer goods were ever forged by the USSR with any Asian-Pacific country. It is expected to "open a new chapter in RP [Republic of the Philippines]-Russian trade," noted Pavel V. Bulavskiy, Soviet trade representative to the Philippines.

In line with the memorandum of agreement inked by Foreign Secretary Raul Manglapus and USSR's Foreign Minister Eduard Shevardnadze last July 1989, these joint ventures are hoped to fulfill the expected $200 million worth of trade exchange within two years. Last year, the trade was worth only $36 million.

The joint ventures are expected "to push trade quicker than before." The four joint projects will require some P100 million worth of investments. The USSR equity share of 40% in each firm will be transmitted to Manila by early June.

The first joint venture, which was signed only last week, was between Rubberworld and USSR's Ministry of Light Industry.

The new firm, called World-wide Multi-Resources [WMR], is slated to produce modern sports shoes.

Total investments are expected to reach P60 million. WMR will utilize existing Rubberworld facilities in Novaliches, Quezon City. Operations will start in July. The joint venture calls for the production of some 500,000 pairs of sports shoes in the first year, increasing to one million pairs in the following year.

Another shoe-based partnership has been formed with the Marikina Footwear Development Council. The new company, Filros Manufacturing and Marketing Corp., will acquire and build a new manufacturing complex in Marikina.

Mr. Bulavskiy estimated total investment cost to reach $2.5 million (P57 million). Both parties have agreed to manufacture 300,000 to 500,000 pairs in the first year and increase this to one million pairs in the second year.

Two other partnerships, this time in garments, particularly in women's fashion wear, are being negotiated. Mr. Bulavskiy said both parties plan to produce approximately 150,000 to 300,000 pieces in its initial year of operation, gradually increasing production to one million pieces upon full operations.

All four joint ventures with USSR's Ministry of Light Industries will be finalized before June 1990, either in Manila or in Moscow.

At least 70% of total produce will be for export, with preference for the USSR market, while the remaining 30% shall be sold in the domestic market or third countries.

Employment for up to 2,000 Filipinos is expected in its first year of operations.

Under the joint venture agreements, the USSR will pay in the form of raw materials like leather, skin for shoes and fabrics for garments. The joint-venture companies are required to import these materials from Russia. Other investments are in the form of equipment and machineries or trucks and spare parts.

While the trade mode is basically barter, its mode of payment is through the opening of letters of credit.

Other possible joint ventures are being discussed with Legaspi Oil Co. and San Miguel Corp.

Consumer goods are the target of Soviet joint ventures because of the tremendous demand in Russia. Mr. Bulavskiy cited that 1.2 billion pairs of shoes are needed each year. The USSR produces only 800 million pairs a year, so the remainder has to be sourced from abroad.

Meanwhile, a Soviet-Filipino association was recently organized to promote USSR-RP trade. Twelve Filipino companies compose the initial membership. These include the Philippine International Trade Center, Legaspi Oil, Rubberworld, Marikina Footwear, Gammeka Industries, Soyuz Trade Philippines and Filsov Shipping, among others.

The head office will be in Manila while a counterpart office and a showroom will be in Moscow, where other permanent showrooms such as those of Japan, Korea, France, Italy and Yugoslavia have registered revenues close to $200 million annually.

Aquino Rules Out Second Term as President

HK2802081790 Manila THE MANILA CHRONICLE in English 27 Feb 90 p 6

[Text] President Aquino said she will endorse a presidential and vice-presidential candidate in the forthcoming electoral race to douse speculations that she intends to run again for presidency.

"If my endorsement will still be worth anything..then I guess I will endorse candidates for 1992," Mrs Aquino told a group of foreign correspondents late last week.

Mrs Aquino said the endorsement of candidates was a political role she envisioned for herself in the future.

The President, however, did not say who she intended to support in the May 1992 presidential elections or what criteria she had for those who would ask her endorsement.

In a related development, Mrs Aquino yesterday clarified that when she rallied the huge crowd that gathered to commemorate the fourth anniversary of the people power revolution last Sunday to support her, she was referring to the remainder of her term.

Mrs Aquino also indicated that nothing would make her reconsider her decision not to seek a re-election.

"Alam mo 'yang proble-ma natin siguro maski hanggang sa next century ay naruruon pa rin. Sa palagay ko ang kailngan sa panahon na ito any pagsikapan natin upang mapadali ang paglutas sa ating mga suliranin," [You see, this problem of ours will still be with us in the next century. In my opinion, what is needed now is for us to strive to solve our problems as fast as possible],"

Mrs Aquino was reacting to statements made by some officials that she should stay on as president since the country has barely recovered from the ravages of the past regime.

Reportage on Enrile Situation Continues

Official Urges Probe of Wealth

HK2602121990 Quezon City Sports Radio 738 in English 1100 GMT 26 Feb 90

[Text] Press Secretary Tomas Gomez III today echoed President Aquino's call for a Senate investigation of Senator Juan Ponce Enrile. Gomez said there is enough evidence that Enrile had acquired wealth illegally and that there was probably cause for a task force investigation.

The press secretary said that it was the Senate's obligation to the Filipino people to include Enrile in its investigations. Gomez added that Enrile must be man enough to demand a Senate investigation to cleanse himself of perceptions and doubts about his personal integrity.

Meantime, the resolution on the preliminary investigations on the rebellion charges against Senator Juan Ponce Enrile and three others have been submitted for approval to Chief State Prosecutor Fernando de Leon, it was disclosed today by Senior State Prosecutor Aurelio Trampe.

The resolution on the charges against former General Felix Brawner and Jaime Echeverria and former Customs intelligence chief Billy Bibit have also been submitted for approval. Also resolved were the rebellion charges against renegade Colonel Gringo Honasan, Silahis [name of hotel] President Rebecco Panlilio and his wife Erlinda, former Energy Minister Geronimo Velasco, and Makati Councillor Buddy Brillante.

Aquino Denies Political Motive

HK2802103390 Manila Radio Veritas in Tagalog 0900 GMT 28 Feb 90

[By Gabby Salcedo from Malacanang Palace]

[Text] President Corazon Aquino, through Press Secretary Tomas Gomez III, has denied that the filing of rebellion charges against Senator Juan Ponce Enrile is politically motivated. The president issued the statement even as she stressed that the court should be left alone to decide on the merits of the case.

The president's reaction follows a resolution filed by Senator Mamintal Tamano urging that Senator Enrile be placed in the custody of the Senate sergeant at arms so that he can take part in the deliberations in the Senate.

Meanwhile, on other matters, the president approved the extension once again of price control ceilings on certain major commodities, such as milk, sugar, and liquified petroleum gas, until the end of March.

Let us listen to the statement of the president as read by Press Secretary Tomas Gomez III.

[Begin Gomez recording in English] The filing of charges for rebellion with murder and frustrated murder against Senator Juan Ponce Enrile and his co-accused is the result of a fair and thorough investigation by the prosecutors in charge of the case. No political motive is involved. It is simply a legal process for him and his co-accused to answer the serious charges on which the investigators found probable cause, sufficient to warrant the filing of criminal complaints in court.

Senator Enrile and his co-accused will have all the protection and rights under our Constitution and law, including that of due process. This assurance comes from our democratic system and the Constitution, which ironically he and his co-accused are charged with having sought to overthrow and destroy.

This is a legal point that will no doubt be raised in court. The prosecution's stand is that the present case differs from the Hernandez case, decided by the Supreme Court, and that in any event the Hernandez doctrine should now be reexamined.

The merits of the charge are for the court to decide. The proposal of Senator Tamano is likewise a matter that would be addressed to the court. The posture of our Armed Forces is one of prudence and caution.

Economic and business relations with the people of Taiwan are not violative of our one-China policy. So it depends on how the legislation is worded. There should be no political recognition of Taiwan as a separate state expressly or implicitly.

The president has already signed a memorandum order setting the price ceilings on milk, sugar, pork, hard flour, kerosene, and liquified petroleum gas for the period of March 1 to 31 1990. The jurisdiction over the person of someone accused of an offense is with the court, so it is the court that also decides whether to issue a hold order or not. [end recording]

Meanwhile, reports said that the Philippine Government has received a message that its application for $709 million in fresh loans has been approved by 80 private banks under the Brady Plan initiated by former U.S. Treasury Secretary Nicholas Brady. The government expressed its gratitude to the 80 private banks, which pooled their resources to grant the loan to the country.

Transfer to Senate Custody Asked

HK2802051790 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 28 Feb 90

[Text] Senator Mamintal Tamano today filed a resolution asking the court to transfer custody of Senator Enrile to the the Senate's sergeant-at-arms. Tamano said Enrile is the lone opposition member in the Senate and he should be allowed to discharge his duties in order to maintain what is called a democracy:

[Begin Tamano recording in English—in progress] ...that authorize the filing of a petition before the appropriate board to allow Senator Enrile to be under the custody of the Senate's sergeant-at-arms in order that he can participate in the sessions of the Senate. You know, Senator Enrile is the minority floor leader and the only minority member of the Senate. Therefore, we feel that the voice of Senator Enrile is necessary to give out views in the democracy that is appropriate to have in this country, which is essentially not just majority rule but also minority rights. [end recording]

Press Secretary Makes Statement

HK2802113190 Manila Radio Veritas in Tagalog 0900 GMT 28 Feb 90

[Statement by Press Secretary Tomas Gomez III from Malacanang Palace; date not given—recorded, broadcast in progress]

[Text] ...an attempt to sidetrack and evade the legal realities. We are witnessing the operation of the criminal justice system under a constitutional democracy. The Enrile public relations blitz cannot alter the reality. A crime has been committed, the perpetrators identified, hence the criminal charges.

Martyrdom has evoked compassion. Compassion cannot be squeezed out of an individual who is distorting the history of EDSA [Epifanio de los Santos Avenue] and the meaning of people power. Speaking of compassion, this government has respected Mr Enrile's wishes not to be photographed while being fingerprinted. He provided his own ID photos, requesting that no mug shots be taken. He was not arrested in the Senate, giving due respect to the sanctity of that body. His arresting officer, General Lim, even rode with him in Enrile's own car prior to his arrest.

Any attempt to liken the well-deserved legal travails of Enrile with Nelson Mandela and Ninoy Aquino is immoral and desecrates the purity of their principles. Enrile must be placed in true perspective: His role, along with that of his mercenaries, in repeatedly molesting the peace and progress of this country, simply because their agenda of a power grab was frustrated time and again by the support of the people for this government.

It is, indeed, ironic that Enrile, the architect, administrator, and enforcer of martial law, should now bellyache. His arrest was conducted under the rule of law and with due process, guarantees of the very same Constitution he has attempted to destroy.

Let us never forget that on 21 September 1972, arrests were made in the dead of night without charges, without due process, and without the media. That was the night when the freedom of the press was muzzled, padlocked, and obliterated.

Within a constitutionally guaranteed and mandated democratic space, let the chips fall where they may. Let the wheels of justice turn. This administration is committed to abide by the decision of the Supreme Court.

Rebel Unit Said To Plan Rescue

HK2802100990 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 28 Feb 90

[Text] The Reform the Armed Forces Movement [RAM] and their sympathizers are reportedly building up arms and personnel for what allegedly is a final confrontation with government troops. This was learned following the arrest of opposition Senator Juan Ponce Enrile yesterday, after charges were filed against him at the Quezon City and Makati Regional Trial Courts relating to the previous December coup.

According to government military agents, a crack rebel unit has been formed to grab Enrile from the custody of the authorities. Senator Enrile is presently detained in Camp General Tomas Karingal in Quezon City.

Meanwhile, it was also reported that the high-powered firearms the rebels have gathered were smuggled from other countries through the southern back door, and this was allegedly done in colllusion with the Moro National Liberation Front [MNLF]. The RAM and the MNLF were earlier reported to have merged forces due to the similarity of their objective, which is to overthrow the Aquino government.

House Leaders Support Action

HK2802032190 Manila MANILA BULLETIN in English 28 Feb 90 pp 1, 10

[By Rod L. Villa]

[Excerpts] Speaker Ramon V. Mitra Jr and other House leaders expressed support yesterday for the arrest of Sen Juan Ponce Enrile for various charges filed against him.

They also vowed to defend constitutional succession to President Aquino and vowed support for her moves to stop people bent on toppling the government.

As this developed, Brig Gen Eduardo Cabanlig, Philippine Marines commandant, said: "Never again shall we ever be fooled by other fools; never again shall we allow ourselves to go astray; never again shall we allow a segment of this organization to sever from our resolve which is the unity of the Marines."

Mitra said he regarded "constitutional succession as our most urgent heed, among all our efforts to restore the representative system after the interval of martial law."

Addressing the new Philippine Marine Guard Battalion, he lauded Maj Marcelino E. Yacat as its founding commander.

"What matters is not what each of us may think individually or collectively of the capabilities of the present leadership," Mitra told the Marines at the Batasang Pambansa [National Assembly] parade grounds on Constitutional Hill in Diliman, Quezon City.

"What is important is that a constitutional succession to Mrs Aquino's presidency will put the Philippines back on track as a functioning democracy," he said. [passage omitted]

The House urged Mrs Aquino to order a speedy trial of Enrile, but said it must be a "judicious trial."

"Anybody should be entitled to a judicious trial to determine his guilt or innocence," Mitra said. "We are fully supportive of the move."

The House committee on constitutional amendments, led by Rep Hermogenes Concepcion (LDP [Struggle of Philippine Democrats], Nueva Ecija), reviewed Enrile's case and said rebellion is "not bailable and may strip Enrile of his immunity from suit" as a legislator.

Lawyers To File Release Petition

HK2802051390 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 28 Feb 90

[Text] Lawyers of Senator Juan Ponce Enrile will today file a petition seeking the senator's release. Attorney Rene Cayetano, one of Enrile's lawyers, said that the arrest warrent issued to Enrile was illegal because the charge against the senator does not exist under the Philippine law.

Enrile, yesterday, voluntarily surrendered to the National Bureau of Investigation, after he was presented an arrest warrant in relation to the rebellion, with a murder charge filed against him by the state prosecutor. The charge is unbailable:

[Begin Cayetano recording] We will file a case which we think will result in his immediate release. [end recording]

Opposition Discusses Move

HK2802050990 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 28 Feb 90

[Text] The opposition group headed by Vice President Salvador Laurel is presently holding a meeting. Opposition Congressman Salvador Escudero III said they will discuss the opposition's next move following the arrest of Senator Juan Ponce Enrile:

[Begin Escudero recording] We hope the government does not include in its plan the suppression and intimidation of oppostion members because if this is the case, their so-called number one accomplishment which is the restoration of democracy will just be a restoration of a mockery of democracy. We will meet this morning at the house of the vice president. [end recording]

Editorial Questions Action

HK2802083190 Quezon City MALAYA in English 28 Feb 90 p 4

[Editorial: "A Matter of Timing"]

[Text] Blame it on the timing, but people are bound to doubt if the rebellion charges with murder filed yesterday against Senate Minority Floor Leader Juan Ponce Enrile, for which there is no bail, indeed show "the effective operation of our criminal justice system" or is simply political vengeance at its worst.

Certainly, the bitter words uttered by President Aquino last Sunday against Enrile should be a clear signal to officials of her administration what she wanted done about Mr Enrile.

Already, Director Alfredo Lim of the National Bureau of Investigation, who gathered the evidence against the senator in the first place, has volunteered to serve the warrant of arrest against Mr Enrile.

Whether this will bolster public perceptions that the senator is being made the target of a government hate campaign, questions will focus on the fairness of the preliminary investigation conducted on the rebellion case.

The charges are mainly based on the testimonies of waiters of the government-sequestered Silahis International Hotel who said they saw Enrile talking with coup leader Gregorio Honasan and other rebel soldiers in his Makati residence at the height of the Dec. 1 coup attempt. One of the waiters later recanted his testimony.

Evan granting that Honasan and the rebel soldiers were indeed seen inside Enrile's residence during the uprising, would this constitute rebellion on the part of the senator? How could talking with a coup leader constitute murder? Did the witnesses hear Mr Enrile order Honasan et al to

kill the loyal troopers inside Camp Aguinaldo and the civilians standing in the way?

These questions will have to be answered squarely and satisfactorily if government is indeed sincere in its avowed intention to achieve justice—and peace.

Columnist Views Aquino Motives

HK2802033990 Manila PHILIPPINES NEWSDAY in English 28 Feb 90 p 10

["Turn of Events" column by Francisco S. Tatad: "A Study of Meanness"]

[Text] Why, do you think, has Mrs. Aquino decided to promote opposition Senator Juan Ponce Enrile as her official enemy number one? Different people have different theories, some better than others. We have no pet theory, so we shall go over the most obvious ones.

1. **She wants to settle an old score, and get even with her late husband's "jailer."**

Enrile as President Marcos's defense minister was commonly perceived by the Aquino camp as martial law administrator or co-administrator and Ninoy Aquino's jailer. During that incarceration, Aquino complained that his human rights were violated, and Mrs. Aquino complained that she was subjected to indignities whenever she tried to visit him. Enrile should not have escaped her vengeance for so long were it not for the fact that he was instrumental in finally toppling down Marcos and installing her in power. But that was four years ago, and many things have changed. Fortune has finally smiled on her. She could do now what she could not do then. Better late than never.

2. **She has decided to take the offensive, instead of simply reacting to the opposition propaganda, which is becoming increasingly difficult to handle.**

There is a propaganda crisis. The U.S. press has turned against her, and the crony press at home is not making things look any better. Malacanang is under siege and is reduced to defending and denying. With obvious advice from the press secretary who earned his doctorate in low-blow propaganda trading insults with the Marcos camp in Honolulu, Mrs. Aquino may have decided that offense is still the best defense, and that going after somebody like Enrile could divert national attention from the serious problems facing the nation. The calculation is correct; the propaganda initiative has created headlines, and these headlines have temporarily buried government scandals like the indecent haste to sell the government property at Tokyo's Roppongi district, after getting rid of the priceless property on Stockton street in San Francisco's Union Square.

3. **She has decided to find a scapegoat for the failure of government.**

With plummeting popularity both here and abroad, apparent loss of real political support in the U.S. official establishment which originally sponsored her presidency, and loss of a hate symbol to focus the mind of the Filipino upon the death of Marcos, she needed to find a new object of hate, equivalent to Hitler's Jews. The military rebels personified by former Colonel Gregorio Honasan seemed to qualify for this role. The trouble, however, is that after calling them cowards and offering multi-million peso rewards for their capture, the government has failed to get them. They remain at large, protected, it would seem, by a supportive public. Enrile, being a partisan figure, seems a more suitable object. He will now be made to absorb all of the President's hate and bitterness, and blamed for the failure of her government. The man will finally be put to his best use—as scapegoat.

4. **She has decided to choose her opponent in the next electoral contest.**

Mrs. Aquino has obviously decided to run again, despite her solemn promise not to do so, and has decided that Enrile would make her best opponent. There are two parts to this statement. The second part is based on an entirely subjective calculation that could prove erroneous; the first should cause no surprise.

The first part. Having pursued a policy of personal vengeance against her enemies from the first day of her presidency, Mrs. Aquino cannot afford to go unprotected by high office. She has created lifetime personal enemies who are likely to do to her what she has done to them, once she is out of office. Like Marcos before her, she is now riding the back of the tiger; she cannot dismount without possibly ending inside the beast. In fact, some of her more arrogant and ignorant relatives have said, if Marcos stayed in power for 20 years, they intend to stay for 40 years. She is then compelled to run again, despite the constitutional prohibition against a second term.

To her, the constitutional ban should be no obstacle. Since she was never elected, she could easily claim that she is not covered by the prohibition. It will be argued that since she remains in office by virtue of the constitutional provision that gives the President a term until June 30, 1992, she cannot be exempt from the constitutional ban. She could probably count on the majority of the Supreme Court to take care of that. She will most likely then be a candidate unless running becomes completely untenable, in which case she will have to find a worthy surrogate. Secretary Ramos?

The second part. Her political analysts seem to entertain the view that Enrile would make a better opponent than others. This is completely subjective and could prove entirely erroneous.

5. **She has decided to zero in on Enrile for all of the above. Or—**

6. **She has decided to do so for none of the above.**

Without any calculation, she may have decided to be simply her natural self. Or, to rework a line from Durrell,

she may have decided to be mean on purpose, so that no one would suspect she is mean by nature.

Suspended Cagayan Governor Disappears 'Suddenly'

HK2802092190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 28 Feb 90

[Report by Vic Pambuan]

[Text] Suspended Cagayan Governor Rodolfo Aguinaldo, who was charged for his support for rebel soldiers during the coup d'etat, is missing. According to an intelligence report sent to Camp Aguinaldo, former Governor Rodolfo Aguinaldo suddenly disappeared after the Supreme Court issued a warrant for his arrest, following the arrest of Senator Juan Ponce Enrile at the Senate by agents of the National Bureau of Investigation [NBI].

The report said that the former Cagayan governor still enjoys the support of people who are loyal to him, including police and military men wishing him to return as governor. It also added that Aguinaldo went to the mountains in Cagayan to avoid arrest by NBI agents.

It was learned that Aguinaldo has been arrested by the NBI, but up to broadcast time, there is no sight of Governor Aguinaldo. [sentence as heard]

It is recalled that Aguinaldo worked hand in hand with Juan Ponce Enrile in supporting famous rebel group personalities like Colonel Gringo Honasan, retired Brigadier General Felix Brawner, retired Lieutenant Colonel Bibit, and others who have been charged with rebellion and murder after the attempt to overthrow the present governm.nt failed.

Enrile, who was defense secretary under President Marcos before the EDSA [Epifanio de los Santos Avenue] people power revolution in 1986, was arrested yesterday by NBI agents.

The Armed Forces of the Philippines [AFP] are presently hunting the suspended Cagayan governor in the mountains of Cagayan to bring him in to face charges of rebellion and murder. Loyal government troops, including the Philippine Constabulary-Integrated National Police and the AFP, are intent on arresting Aguinaldo so he can face the rebellion and murder charges.

Governor Confirmed Missing

HK2802130190 Quezon City Radyo ng Bayan in Tagalog 1200 GMT 28 Feb 90

[Text] The military today failed to serve a warrant of arrest on suspended Governor Rodolfo Aguinaldo of Cagayan. Earl Sapilino has the report:

[Begin recording] A report from Camp Crame said the military team assigned to serve an arrest warrant on Aguinaldo failed to find him in his domicile at the Cagayan Capitol guesthouse. The report said that the controversial former Philippine Constabulary [PC] official immediately went into hiding after he learned that the government was ready to file rebellion charges against him.

However, the situation in the province was reported to be peaceful and orderly. In his report to PC-INP [Integrated National Police] Chief Major General Ramon Montano, Constabulary Regional Command 2 Commander Colonel Miguel Fontanilla said that there was no sign of rebel movements or of alarming activities in the last 24 hours. Some quarters had feared that armed followers of the opposition leader Senator Juan Ponce Enrile would resort to violent acts following the senator's arrest yesterday on charges of rebellion and involvement in the abortive coup last December.

Armed Forces of the Philippines Civil Relations Service Chief General Oscar Florendo is presently in Cagayan to monitor the peace and order situation there. [end recording]

Meanwhile, Acting Cagayan Governor Melvin Vargas expressed hope that Aguinaldo will appear to face the charges against him. Earl Sapilino again for the report:

[Begin recording] In a prepared statement forwarded to the media by a legal counsel of Acting Governor Vargas at the provincial capitol, Vargas said the long arm of the law will eventually find Aguinaldo because no one should be above the law.

Reports from Cagayan said that Aguinaldo left his residence at the capitol guesthouse and, accompanied by his security aides, departed in five private vehicles bound for an unknown destination.

The military team sent to serve an arrest warrant on the suspended governor reported that Aguinaldo left some personal belongings in his quarters in his haste to escape. [end recording]

Aquino Orders Speedier Probe Into Grafters

HK2602120790 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 1030 GMT 26 Feb 90

[From "GMA News" program—slantlines denote passage in English]

[Text] President Aquino today ordered the Justice Department to speed up investigation of bigtime grafters, especially in the Bureau of Internal Revenue and the National Irrigation Authority. President Aquino did not give any names, but said that Malacanang is presently studying documents on so-called bigtime grafters.

[Begin Aquino recording] I have been hurrying them up. As a matter of fact, there are so many documents involved. Hence, it is necessary to review the papers one by one /because it is only fair and just that all these

documents be reviewed by our lawyers here so that they will be able to make the right recommendations to me./ [end recording]

Agriculture, Labor Secretaries Confirmed

HK2802110190 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 28 Feb 90

[Text] The Commission on Appointments has confirmed the nominations of Secretary Senen Bacani of the Department of Agriculture and Ruben Torres of the Department of Labor. At the same time, it deferred action on the nomination of Agrarian Reform Secretary Florencio Abad.

Jojo Ismael for the details:

[Begin recording] At the general session of the Commission on Appointments, the Commission fully endorsed today the nominations of Bacani and Torres as secretaries of agriculture and labor, respectively. However, it failed to act on the nomination of Florencio Abad as secretary of agrarian reform.

Senator John Osmena invoked Section 5-B of the commission's rules, which served as the basis for deferment of action on Abad's case. Earlier, questions were raised about Abad's decision to convert agricultural land in Cavite into an industrial estate. [end recording]

Human Rights Record Said Worse Under Aquino

HK2602094390 Manila THE MANILA CHRONICLE in English 26 Feb 90 p 3

[By Julie Javellana]

[Text] The human rights situation has worsened under the Aquino Administration, apparently due to the legalization of "repressive structures" created by deposed president Marcos, the Ecumenical Movement for Justice and Peace (EMJP) said Saturday.

EMJP Secretary General Arnel de Guzman told the CHRONICLE that the amount of human rights violations before and after the 1986 change in administration seemed to have increased.

"The repressive structures he (Marcos) enforced have not only remained in place but have even been given firmer, more legal bases to operate," EMJP said in a statement.

It cited the formation of the Citizens Armed Forces Geographical Units (Cafgus) and other vigilante groups, which had the blessing of President Aquino, as allegedly responsible for rights violations.

"Arbitrary arrest and torture were committed before, but now we have internal refugees and massacres," De Guzman said.

He said whole communities were being displaced now whereas before, only a few individuals fell victim to evacuations.

De Guzman said a reason could be the alleged growth of the insurgency, which was answered by the Aquino Government with a total war policy, "characterized by excessive use of fire-power and the formation of vigilante groups."

He said the Aquino Government was more inclined to arrest human rights leaders, something the Marcos administration did not concentrate on.

Government To Again Buy Firearms From Rebels

HK2602122390 Manila THE MANILA CHRONICLE in English 25 Feb 90 p 4

[Text] The Government will resume next month its program to buy back firearms from the rebels after it was suspended in August last year because of alleged irregularities in its implementation.

A senior defense official said the Government had discovered that some enterprising businessmen have been making millions of pesos through the program because of some technical flaws in its implementation.

The military had also reported that "fake" rebels were also benefitting from the program since the Government was offering higher prices for guns which are cheaper in the blackmarket.

For instance, the Government was buying back a Carbine and a Garand rifle for P8,000 each but the guns can be bought in the blackmarket for only P4,000 to P5,000 each.

"The program, which was designed to lure rebels was attracting businessmen, instead," a senior defense official said.

He said the Government has a new price scale for the guns to be bought back by the Government under the "Balik Baril [buy back firearms]" program.

The price scale for the Carbine and Garand rifle have been lowered by 40% to 50% to stop the activities of unscrupulous businessmen.

The Balik Baril program aims to help rebel returnees start a new life by buying back their firearms.

Half of the price would be given in terms of material assistance like farm implements, livestock and palay.

Red Army Said Training NPA Rebels in Lebanon

HK2602112590 Manila MANILA BULLETIN in English 26 Feb 90 p 14

[Text] Three members of the New People's Army (NPA) have received training at the Japanese Red Army (JRA) training camp in the Bekka Valley of Eastern Lebanon with special courses in weaponry and explosives, the International Criminal Police Organization (ICPO) has reported.

The ICPO report was published in the Japanese-language newspaper SEKAI NIPPO which stated that "from a secret report from the ICPO to Philippine authorities, it became clear that members of guerrilla organizations from around the world, including the NPA, receive training at the JRA camp in the Bekka Valley."

This was the first time that contact between the JRA and the NPA has been ascertained, the report added.

It indicated that arrested JRA member Hiroshi Sensui, who had been hiding out in Manila, and one of the high-ranking JRA officers, Maruoka Osamu, who was arrested in Japan in December, 1987, traveled in and out of the Philippines quite frequently.

Sensui, an alleged terrorist, was captured at the Makati Medical Center in June 1988 while he was seeking treatment, and deported from the Philippines to Tokyo.

The training camp is said to be close to Anja and was established by JRA leader Adachi Masao and another Japanese, described only as bearded, who set up the military barracks. The furniture was reportedly brought from a JRA safehouse in Baalbek.

Rebel Leader Reacts to Gerasimov Statement

HK2602121390 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 1030 GMT 26 Feb 90

[From "GMA News" program]

[Text] Rafael Baylosis, detained Communist Party of the Philippines-New People's Army leader, has stressed that the experience of communists in Eastern Europe will not affect the communist party in the country. This was his reaction to a statement by USSR Information Director General Gennadiy Gerasimov, who asserted that communists all over the world must engage in some soul-searching in order to regain the trust of the people.

However, Baylosis claimed that the situation in the Philippines is different and that the people never lost confidence in them.

[Begin Baylosis recording in English] And I have confidence that the Communist Party of the Philippines and the revolutionary movement which it is leading now in the Philippines will be able to further advance its cause and hopefully win final victory. [end recording]

'Top' Rebel in Nueva Ecija Captured 23 Feb

HK2402093090 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 24 Feb 90

[Excerpt] One of the top New People's Army [NPA] commanders in Nueva Ecija fell into the hands of the authorities. His arrest carries a cash reward of 30,000 pesos. The suspected rebel who is believed to be behind the rebels' arms seizure and liquidation operations in the province was captured by elements of the 189 Philippine Constabulary company in a transportation company in Novaliches, Quezon City yesterday.

The captured rebel was identified as Conrado Clemente alias Comrade Edwin by Major Manuel Quevedo, commanding officer of the 189 PC Company in Cabanatuan City. Clemente is the assistant team leader of the section committee of the CPP [Communist Party of the Philippines]-NPA operating in the province of Nueva Ecija. He is a resident of Barangay Dinigklat, Aliaga, Nueva Ecija. [passage omitted]

Military Said To Seize NPA Armory in Quezon

HK2802033390 Manila MANILA BULLETIN in English 28 Feb 90 pp 1, 16

[By Owen Masaganda]

[Text] Sariaya, Quezon—PC [Philippine Constabulary] troopers and policemen seized yesterday a New People's Army (NPA) camp and armory in barangay Banahaw Concepcion here.

Troops from Task Force Hunter, Quezon PC headquarters, 237th PC Company, and the Candelaria police had earlier launched an offensive that led to the discovery of the rebel camp.

Col. Reynaldo G. Wycoco, Quezon PC commander, told Brig. Gen. Evaristo G. Carino, Recom 4 PC-INP [Integrated National Police] chief, and Col. Saturnino Medina, Task Force Hunter chief, that he formed three teams under Capt. Manuel Barcena, 237th PC Company commander; 1st Lt. Eduardo Sanque, executive officer, and 2nd Lt. Timoteo Pacleb, Candelaria police chief, to surround the NPA camp.

Last Saturday, the team of Sanque clashed with the group of Leopoldo Mabilangan, alias "Ka [comrade] Hector," killing two of his aides, identified as Renato Algaer, alias "Ka Brix," and another identified only as "Ka Vic."

Three other suspected NPAs were captured but their names were withheld for security reason.

The captured rebels pointed to the camp and armory where the rebels keep their guns and explosives. Barcena and Pacleb went to the NPA camp after the three rebels said "Ka Hector" and his group were conducting lectures for recruits.

Wycoco said he sent two helicopter gunships to reinforce the ground forces. He said Mabilangan escaped but some of his men were wounded.

He said his men recovered five Armalite rifles taken from the Candelaria police armory, a Belgian FAL rifle, a .30 caliber carbine, a .32 caliber handgun, two radio sets, subversive documents, a horse used by couriers, and 136 sticks of dynamite.

Wycoco added that the negotiations for the release of kidnaped Capt. Alberto Reyes of the Cagayan Constabulary Highway Patrol Group (CHPG) and his wife Nonalyn are still going on.

Bishop Emilio Z. Marquez, the Reyeses' six-year-old son, and a sister of Mrs Reyes appealed to the rebels over radio stations in Lucena City to release the victims.

Reyes and the others were on their way to Capalonga, Camarines Norte, last Sunday when they were kidnaped by 30 NPA rebels in barangay Hagakhakin, some kilometers south of Manila.

Manglapus Rules Out Renewed Talks With MNLF

HK2702040590 Manila PHILIPPINE DAILY GLOBE in English 27 Feb 90 p 7

[By staff writer Julius Fortuna]

[Text] Foreign Affairs Secretary Raul S. Manglapus ruled out yesterday the possibility of renewed talks between the Philippine government and the Moro National Liberation Front [MNLF].

The position of the Philippine government on the issue has remained the same, Manglapus said, before boarding a Central Bank plane for Jakarta to attend a conference on Cambodia.

"We would recommend talks with the MNLF only if all the factions involved in the Mindanao problems are represented," Manglapus said.

President Aquino, meanwhile, urged Misuari and other Muslim secessionist leaders to participate in the electoral process if they really want to serve the people in Mindanao.

Manglapus's reaction came amid reports that Misuari was willing to enter into renewed talks with the Philippine government on the Mindanao conflict.

Ambassador to Libya Abdul Ghaffur Madki Alonto who is in Manila for consultations, said last week Misuari had mellowed in his hardline stand and was now willing to talk with the government.

Manglapus visited Saudi Arabia last week and told Hamid al-Gabid, the secretary general of the Organization of Islamic Conference (OIC) [ICO], that the Philippines was willing to dialogue with the Muslim groups if they were united.

Manglapus said the groups of Misuari, Dimas Pundato and Firdausi Abbas should unite before the Philippine government can talk to them.

Misuari had rejected the Manglapus proposal saying some of the groups the foreign minister had enumerated had already collaborated with the Philippine government.

Last week, Philippine ambassadors to Islamic and Arab countries met for a common plan to counter the MNLF bid to join the OIC this coming May in Cairo.

According to reports, the DFA [Department of Foreign Affairs] will send a note to all OIC members containing Manila's efforts to integrate the Muslims to the mainstream of Philippine society.

Foreign Affairs Undersecretary Manuel Yan in an interview stressed the OIC's continuing support for the Philippine government.

He brushed off speculations that the MNLF is gaining support in its bid for membership.

Misuari Confirms Contact by Coup Leader Noble

HK2602100990 Manila MANILA BULLETIN in English 26 Feb 90 p 13

[By Victor Vega]

[Text] Moro National Liberation Front (MNLF) chairman Nur Misuari admitted the other day that the MNLF had been contacted by fugitive Army Col. Alexander Noble, one of 15 most wanted coup leaders in the country.

During a live interview over Radio DZMM from the MNLF headquarters in Jeddah, Saudi Arabia, Misuari also revealed that the Organization of Islamic Conference (OIC) has "recognized" the MNLF as the legitimate representative of the Moro people, "but this recognition was indirectly and not directly as what the OIC did to the Palestine Liberation Organization."

The MNLF, according to Misuari, enjoys all privileges and benefits given to the member-countries of the OIC.

Colonel Noble, one of the leaders of the Reform the Armed Forces Movement (RAM) which staged the December coup, carries a P500,000 reward for his capture dead or alive.

He was last seen giving an interview to television newsmen somewhere in Mindanao.

Early Release of New Foreign Loans Sought

HK2602122590 Manila THE MANILA CHRONICLE in English 25 Feb 90 p 1

[By staff member Claro Fernandez]

[Text] Finance Secretary Jesus P. Estanislao and Central Bank Gov. Jose L. Cuisia Jr. yesterday announced that the Government would request the country's 12-bank advisory committee to release 60% of the new money commitments two to three weeks after the signing of the Philippine bond program.

The advisory committee, co-chaired by Manufacturers Hanover Trust Co. and the Bank of Tokyo Ltd., has scheduled the signing on Feb. 28 in Tokyo.

The commitments made by a consortium of more than 80 American, European, Asian and Middle East banks have exceeded $700 million—the minimum amount agreed upon between the Philippines and the bank advisory committee to finalize the new money component of the package.

The country's debt negotiators estimated that a total of $709 million had been committed as of late Friday. They expect more amounts to be committed until Feb. 28.

Ten large local banks, which had committed $14.75 million, raised their lending to a total of $27 million.

The largest local lender is the Philippine National Bank.

"The participation of 80 banks in the Philippine package is clearly an indication that the Philippines continues to enjoy the confidence of the international financial community...particularly at this time when (foreign) banks are reluctant to lend to Third World debtors," Cuisia said.

Aquino Welcomes Loan Approval

HK2702040990 Manila MANILA BULLETIN in English 27 Feb 90 pp 1, 19

[By Fred M. Lobo]

[Excerpt] President Aquino welcomed yesterday the grant to the country by foreign commercial banks of

some $700 million in fresh loans as she disclosed that counter-moves will be launched against an anti-government disinformation campaign abroad.

The President also expressed hope that exploratory talks on the U.S. bases will begin in April so the country can press for the fulfillment of U.S. financial commitments and define its position on the bases issue amid conflicting perceptions of U.S. officials.

Mrs. Aquino expressed optimism that forthcoming developments will contribute to national efforts at strengthening political stability and bringing in economic prosperity to the country.

"The signing for the new money of $700 million, or hopefully a little more than that, will take place on Feb. 28 in Tokyo," she said in a press conference.

The President said that Finance Secretary Jesus Estanislao will be flying to Tokyo to sign the loan agreement in behalf of the government.

Central Bank Governor Jose Cuisia and other officials may also attend the loan signing, Malacanang sources added.

The new money, they said, will be used to fill up budgetary deficits and finance governmental programs for this year and next year aside from partly servicing foreign debt.

Mrs. Aquino said that related efforts at increasing exports and attracting more investments will be pursued to improve the country's balance of payment (BOP) and overall economic picture. [passage omitted]

Debt-Rescheduling Agreement Finalized With UK

HK2602093590 Manila PHILIPPINE DAILY GLOBE in English 26 Feb 90 p 11

[Text] The Philippine government has finalized an agreement with the United Kingdom to reschedule 100 percent of official credits owed to the British government under the Paris Club agreement reached last May, according to Finance Secretary Jesus Estanislao.

Estanislao said the similar agreement is set to be finalized shortly with the Japanese government which accounts for the bulk of the $2.2-billion loans owed to the 14-member countries of the Paris Club over a four-year period that started in 1988.

Estanislao did not disclose the amount of rescheduled debts covered by the talks with the British and Japanese governments.

Under the third round of Paris Club rescheduling agreement forged last May, 100 percent of the principal payments are to be restructured in eight equal and successive semi-annual payments, with the first payment to be made on May 31, 1994, the end of the five-year grace period. The final payment is to be made on November 30, 1997, the end of the repayment period.

The Paris Club terms also included restructuring 100 percent of interest payments due and unpaid as of May 31 last year.

Banks' International Reserves '$3.645 Billion'

HK2602083390 Manila PHILIPPINE DAILY GLOBE in English 26 Feb 90 p 11

[By staff writer Ray S. Enano]

[Text] The gross international reserves (GIR) of private commercial banks continued to stay in a comfortable level in sharp contrast to Central Bank's [CB] reserves which dipped to $1.72 billion at the end of January this year.

Data obtained by the GLOBE from the CB showed that international reserves of the country's 29 private commercial banks stood at $3.645 billion at the end of last month, slightly up from $3.627 billion at the end of December last year.

Compared to the end of 1988, the reserves of the commercial banks were up by over $400 million from $3.214 billion.

The CB data showed that the reserves of the banks have steadily improved from the end-1988 level of $3.214 billion unlike those of the CB which at one time hit a 40-month low of $1.32 billion in July last year.

From $3.217 billion at the end of the first quarter last year, reserves of the private commercial banks rose to $3.627 billion by the end of fourth quarter.

The reserves at the end of 1989 surpassed the projected level of $4.2 billion and greatly helped the combined reserves of the country to reach $5.95 billion at year-end.

The data also showed that despite the debt buy-back agreement implemented last January 3, the country's combined reserves were still at a comfortable level of $5.361 billion at the end of last month or equivalent to more than five months of imports.

Only CB's reserves were adversely affected by the debt buy-back agreement last month as the government drew an estimated $650 million to finance the retirement of $1.34 billion of the country's foreign commercial debt stock at a 50 percent discount.

The CB has been building up its international reserves to a more comfortable level to enable it to fend off speculative attacks against the peso. However, projected disbursements of foreign loans, particularly the new money package from foreign creditor-banks, have failed to materialize.

The CN's reserves under the Aquino administration reached a high of $2.57 billion in January of 1987 before it plunged to $1.7 billion after the failed coup attempt in August of the same year.

The reserves are targetted to reach $3.69 billion by the end of 1990 from the 1989 projected level of $2.45 billion.

Thailand

Guidelines Approved for U.S. Cigarette Talks

BK2402044090 Bangkok BANGKOK POST in English 24 Feb 90 p 20

[Text] The Council of Economic Ministers yesterday approved guidelines for cigarette imports and instructed the Commerce Ministry to place the cigarette issue on the agenda of coming trade talks with the United States.

The approval was for a series of guidelines only, in case the country opens its market to foreign cigarettes. It does not mean that import permission has been approved.

Deputy Government Spokesman Likhit Hongladarom said the special meeting, chaired by Prime Minister Chatchai Chunhawan, agreed with the Commerce Ministry's proposal to hold two-level talks on the cigarette issue with the US: one though the General Agreement on Tariffs and Trade and the other with the US under its Section 301.

He said talks with the GATT framework would include permission for local distribution of foreign cigarettes and fair duty collection.

He added that talks under Section 301 would include the distribution of foreign cigarettes by the state-owned Thailand Tobacco Monopoly (if the Government realy decided to open up the market to yield to Washington's demand) and the Thai Government would collect a maximum duty on imported cigarettes.

Mr Likhit said the economic ministers also approved other guideline proposals related to "national treatment" for imported cigarettes.

Under the national treatment, he said all types of advertising and promotion activities for foreign cigarettes would strictly be prohibited similar to those locally made and that a warning in Thai would have to be printed clearly on the package.

Other supplementary guideline proposals approved by the meeting include the launch of a nationwide anti-smoking campaign, a reduction of domestic tobacco plantation acreage and cigarette output.

Mr Likhit quoted Gen Chatchai as saying the Commerce Ministry, which was assigned to hold talks with the US, should not hold separate talks on cigarette issues.

Rather, the cigarette issue should be included as part of several trade issues to be discussed with Washington. Among these are areas where the US derives considerable benefits from dealing with Thailand.

Mr Likhit quoted the Premier as saying areas in which Washington benefited from Thailand included purchases of aircraft engines and yesterday's approval for US-based Caltex Co's local affiliate to build another oil refinery.

"If all these benefits granted to the US were taken into account, it would be much higher than $166 million in damages allegedly cited by US cigarette producers/exporters for Thailand's refusal to open its market to foreign cigarettes."

The GATT is scheduled to hold its first hearing on the Thai-US cigarette dispute next month, while the US Trade Representative's investigation under Section 301 is expected to be concluded later this year.

Thai-Malaysian Task Force Leader on Separatists

BK2502013890 Bangkok BANGKOK POST in English 25 Feb 90 p 2

[Text] Senanarong Camp, Hat Yai—Malaysia has told outlawed separatist bandits taking refuge there to stop subversive activities inside Thailand and to leave Malaysian territory, Thai-Malaysian Combined Task Force (CTF) Commander Maj Gen [Major General] Panthep Phuwanathurak said yesterday.

The commander said that Malaysia was cooperating with Thailand to resolve the thorny issue by telling the separatists who had taken refuge on its territory to leave.

Maj Gen Panthep who is also the Fourth Army's Fifth Division Commander, with responsibility for security in the five southernmost provinces, said Malaysia was sincerely trying to help Thailand solve the problem.

"Now that Malaysia is more cooperative, we are confident that the problem will be gradually resolved," said the commander.

He added that the action taken by Malaysia so far prompted some terrorist groups taking refuge in Malaysia to contact the Thai Army to ask for an assurance for their safety should they decide to surrender to Thai authorities.

According to an Army intelligence report, about 200 armed terrorists are still engaged in active operations in the southernmost area adjoining Malaysia.

The commander admitted that recent developments on the separatist issue was caused by the success of the Thai military to persuade the anti-Kuala Lumpur Communist Party of Malaya to reach a peace agreement with Malaysia putting an end to four decades of armed struggle against the Malaysian Government.

Malaysian Prime Minister Mahathir Mohamed sent a message thanking the Thai Government for the assistance.

Maj Gen Panthep said Malaysian senior security officials had reassured their Thai counterparts of their willingness to help put an end to southern separatist terrorism if Thailand could provide them details about the bandits' hideouts in Malaysia.

Asked whether the Combined Task Force would be dissolved since the question of Thai and Malaysian common enemy, the CPM [Communist Party of Malaysia] had already been resolved through peaceful negotiation, the commander said much more could be accomplished by the task force.

The Thai and Malaysian authorities would discuss areas where the task force could be most helpful, he said.

The Combined Task Force was originally set up for communist suppression.

CPM Arms Destruction Ceremonies End 24 Feb

BK2502012990 Bangkok BANGKOK POST in English 25 Feb 90 p 2

[Text] Yala—The Communist Party of Malaya (CPM) yesterday ended three days of arms destruction ceremonies in which thousands of firearms and munitions were blown up to signify the end of the party's four-decade armed struggle along the Thai-Malaysian border.

CPM secretary-general Chin Peng, accompanied by his wife, led Thai and Malaysian senior security officials to witness the ceremonies, which were held in four former CPM bases in Yala and Narathiwat provinces, between February 22 and 24.

There was no untoward incident during the ceremonies, except for an argument on Thursday [22 February] between CPM members and one Malaysian delegation member who took photographs secretly during a ceremony.

"The incident infuriated Chin Peng as he saw it as disrespect for the December 2 peace agreement which clearly prohibits any photos during the ceremonies," said one Thai officer.

"We have to show them our sincerity on the issue and we took no cameras there," said the officer.

Weapons destroyed during the ceremonies comprised 1,161 firearms, including M-16 and AK-47 rifles and carbines, 318 hand grenades, 85,529 rounds of ammunition and thousands of booby-traps.

Members of the press were not allowed to cover the event when Chin Peng turned down media requests to observe the ceremonies.

"It is in the agreement that we cannot allow you there," said Chin Peng.

One Thai officer, who witnessed the event, called it a solemn ceremony, which effectively declared an end to the armed struggle.

"We understand their feeling on the event.

"They used their weapons for decades then one day they have to destroy them. If you were them how would you feel?" asked the officer, adding:

"As soldiers we understand this."

During the ceremonies, CPM members wore full party uniforms with a red star on their caps.

The officer said yesterday was the last day for CPM members to wear their green uniforms.

Army sources said Chin Peng might return to China soon to arrange for the return of about 100 CPM members still in that country.

"Under the agreement reached, we will accept all CPM remnants left in China within a year from the signing of the agreement," said one Thai army officer.

Malaysia set the same term for party members who want to return to there.

Sources said it is likely former CPM members of Singapore nationality—about 10 to 20—will ask to stay in Malaysia, as Singapore Prime Minister Lee Kuan Yew has indicated clearly to the CPM that his government will not allow them to return home.

"He is afraid that these former CPM members would stir up trouble," the officer said.

In other developments, Army sources said Army Chief Gen [General] Chawalit Yongchaiyut has ordered the Fourth Army to write about the truce talks and print the story to record the historic event.

"It is a most significant event in our history and Gen Chawalit wants to have it recorded," the sources said.

Gen Chawalit was credited for the success of the talks by pressing for a breakthrough at the time of an earlier impasse.

CPM's Chin Peng Forbids Photos

BK2302041990 Bangkok BANGKOK POST in English 23 Feb 90 p 7

[Text] Yala—Weapons of the Communist Party of Malaya were destroyed yesterday, but the event was not photographed or videotaped following CPM leader Chin Peng's threat to call it off if any pictures were taken.

A military source said Chin Peng and his wife surprised Thai and Malaysian authorities with a request to accompany them to Thanto and Yaha districts where the weapons were destroyed.

Chin Peng warned before the trip that according to a peace accord signed last December 2 there must be no photographing or videotaping of the arms destruction.

Some 25 Thai and Malaysian authorities and observers were taken in three helicopters to witness the event.

Chin Peng was in the same helicopter with Fifth Infantry Division Commander Maj-Gen [Major General] Panthep Phuwanatnurak, who headed the Thai delegation, and Malaysian delegation chief Fong Yee Kai, a senior police officer.

Journalists were not allowed to cover the event during which some 701 automatic rifles, 47,568 rounds of ammunition, mortars and 245 mortar shells and 3,385 anti-personnel mines were destroyed.

The source, who was in the Thai delegation, said the weapons were put in large pits and TNT explosives and fire were used to destroy them.

The source said Chin Peng's refusal to allow photographs or videotapes was understandable.

For CPM guerrillas, it was sad to lose the weapons that had served them for over 40 years, the source added.

Fong Yee Kai said that he was satisfied with yesterday's ceremonies and that he believed all CPM weapons would be destroyed in three days.

More CMP weapons will be destroyed today in Sukhirin District of Narathiwat and in Betong District of Yala tomorrow.

Probe of Ship 'Attack' on Burmese Vessel Urged

BK2302032190 Bangkok THE NATION in English 23 Feb 90 p 1

[By Aphisak Thanasetthakon, Stephen Bull, and Yindi Loetcharoenchok]

[Text] The Burmese government has sought an investigation by Thailand into an attack by Thai fishermen on

a Burmese vessel last December that left at least one crewmember dead and 19 others either dead or missing.

The sole crewmember who was rescued, Aung Gyi Sau, reported the incident to Burmese authorities and prompted them to call for the investigation, Burmese sources said.

According to informed sources in Rangoon and Bangkok, the vessel Annawa, owned by a Rangoon fishing cooperative, was attacked late last December by a group of armed Thai fishmen abroad the Ho Charoen Chai 14.

The Thai boat reportedly had received a licence to fish in Burmese waters 35 miles west of Ye township in southern Burma's Tenasserim Division.

Of the Annawa's 21 crewmembers, only Aung Gyi Sau was rescued by Burmese authorities after jumping overboard. Another was shot in the water by the Thais, while the 19 others are still reported missing but widely presumed dead.

Aung Gyi Sau told authorities the 19 men were either killed on the spot or, less likely, taken to Thailand's Phuket island province as prisoners.

The Annawa appears to have originally been a Thai vessel from Samut Songkhram that was seized by Burmese authorities off Phuket for violating Burma's waters, the sources said. The boat was later repainted, renamed and given over to the Annawa cooperative in Rangoon.

On sighting the vessel in December, the Ho Charoen Chai crewmen radioed the boat owner in Samut Songkhram to ask if he wanted the vessel back in return for a Bt2 million reward, the sources said.

After getting a positive response, the crewmen took the Annawa by force.

Rangoon has since carried out a search for the missing crewmembers and investigated the case. However, the incident was not reported in the Burmese media as the military government did not want to damage increasingly warm relations with Thailand.

But the situation worsened when authorities seized seven Thai fishing vessels while preparations were being made for Thai Deputy Prime Minister Phong Sarasin's official visit to Burma on Feb 1-3. The boats belonged to the Supphachok Fishery Co Ltd, one of a few Thai companies who had received one-year fishing concessions from Burma.

Phong and Fishery Department Director-General Plotprasop Suratsawadi managed to secure the unconditional release of the seven boats' crews during the deputy premier's trip, and the December incident was not raised during the meeting.

But Rangoon recently called in the Thai ambassador to Burma to review the issue and asked for legal action against the fishermen by Thailand, Agriculture Ministry sources said.

Rangoon is likely to raise the case during a meeting of a Thai-Burmese regional border committee to be held in Bangkok from March 19-23.

Director-General Plotprasop has confirmed that the attack took place.

In an interview with The Nation, Plotprasop said he had requested the fishermen involved to surrender and defend themselves in a Thai court because the Fisheries Department has to abide by the Burmese request.

More on Burmese Seizure of Thai Timber Workers

BK2602023190 Bangkok BANGKOK POST in English 26 Feb 90 p 3

[Text] Mai Hong Son—Burmese troops have seized some 160 Thais and Karens working for a Thai timber company after clashing with Kayah rebels opposite Muang district here on Friday [23 February].

The Burmese troops, numbering about 2,000, also seized five timber trucks and three tractors belonging to the Satchatham Timber Company after overrunning Kayah positions at Sop Huai Eun across the border.

Border Patrol Police [BPP] sources said security has been beefed up along the border to prevent fighting from spilling over the border.

The Burmese offensive drove the Kayah rebels towards Thana Kwai, a black-market township on the border, the sources said.

The Burmese troops, led by Lt-Col [Lieutenant Colonel] Soe Lwin of the 9th Infantry Battalion, seized the township on Saturday after an hour's clash and burned the marketplace, destroying 12 houses.

The BBP sources said five Burmese soldiers and one Kayah rebel were killed during the clashes.

They said Kayah rebels regrouped yesterday and surrounded a border hill where the Burmese soldiers have dug in.

Karen Communist Guerrillas Surrender Near Border

BK2802015590 Bangkok BANGKOK POST in English 28 Feb 90 p 4

[Text] Mae Hong Son—Eight hilltribe communist guerrillas yesterday surrendered to Thai Border Patrol Police [BPP] in Mae La Noi District of this northern province.

The guerrillas, five women and three men, were all Karen hilltribe people, who carried out their activities along the Thai-Burmese border.

Their latest attack on the BPP occurred on January 22, 1988, in which nine BPP officers were killed while working on a development project.

The group of guerrillas decided to surrender to Thai authorities after the BPP brought the development project under the patronage of Her Royal Highness the Princess Mother.

The guerrillas were sent for questioning by officers at the third Army Region in Mae Sariang.

Superintendent of the 33rd BPP headquarters, Pol Col [Police Colonel] Kunlachet Singhara na Ayutthaya, said more hilltribe communist guerrillas, under the leadership of San Da, are still operating inside Burma opposite this border province.

Cambodians Flee Svay Chek, Arrive at Site Two

BK2802014590 Bangkok BANGKOK POST in English 28 Feb 90 p 4

[Text] Dozens more civilians arrived at the Site 2 refugee camp just inside Thailand yesterday after fleeing a bloody attack on a guerrilla-held town in northwestern Cambodia.

An international aid official, speaking on condition of anonymity, told AP there were credible reports that 25 to 40 civilians were killed and at least 50 wounded in the attack on Svay Chek, which government forces retook last Friday.

International aid officials said at least 70 civilians who fled the fighting at Svay Chek arrived at Site 2 yesterday. Cambodian administrators at the camp said a total of up to 1,000 had arrived since the attack.

Western aid officials and Cambodian officials cited reports that many other refugees from the fighting remained just across the border opposite Site 2 because they were unwilling to part with farm animals and other possessions that some Thai border officials had demanded as conditions for entering the country.

Most of the new arrivals at Site 2 were women, young children and babies.

Some said they walked for three days to the Thai frontier, travelling at night because they were short of water and could not make it in the hot sun.

Farmer Lop Sam said he and his family stayed in bunkers during five days of artillery and rocket fire on their village near Svay Chek. He said many people and farm animals were killed and many houses destroyed.

Lop Sam was interviewed as he sat with his wife and three children at a centre for new arrivals at Site 2.

The farmer, who lost his right hand and an eye to a mine explosion before the Svay Chek attack, said he supported neither the guerrillas nor the government.

"I just want to farm my rice," he said.

Other civilians said they fled from the area of Thmar Puok, another guerrilla-held town under attack.

Svay Chek had been held since last December by guerrillas of the Khmer People's National Liberation Front, one of three groups opposing the government Vietnam installed in a late 1978 invasion.

Site 2 is administered by the liberation front, and its 150,000 refugees are fed and housed by the United Nations Border Relief Operation. It is a few kilometres from the Cambodian border and about 80 kilometres north of the key Thai border town of Aranyaprathet.

The camp has been relatively safe in recent months since the guerrillas drove government troops farther from the frontier. But Tou Ton, a Cambodian administrator at Site 2, said it could be shelled again if government forces recapture nearby areas.

Trade Surplus With Soviet Union Said Gained

BK2502035190 Bangkok Domestic Service in English 0000 GMT 24 feb 90

[Text] Thailand gained a trade surplus of about 4,881 million baht with the Soviet Union between January and October last year. According to a report by the Business Economics Department, during the period the two-way trade between the two countries amounted to 8,178 million baht. Thailand imported more than 1,648 million baht of products from the Soviet Union and exports to that country totaled 6,529 million baht. The high export volume was due to the Soviet Union's perception on liquor drinking, resulting in its people buying sugar to distill their own liquor. This has caused a shortage of sugar for the Soviet Union imported a large amount of sugar from Thailand last year [sentence as heard]. The country had never imported sugar from Thailand before. Apart from the sugar, rice was among Thailand's major exports to the Soviet Union during the period. Thailand's imports from the Soviet Union included gems and jewelry, gold, iron and steel bars, fertilizers, pesticides, industrial machinery, and paper.

The department said bilateral trade volume between the two countries is on the increase. The volume was mostly in Thailand's favor except in 1987 when Thailand for the first time suffered a trade deficit of 185 million with the Soviet Union.

Report on Amount of Exports to West Germany

BK1602092790 Bangkok Domestic Service in English 0000 GMT 16 Feb 89

[Text] Thai exports to West Germany amounted to 1,800 million Deutsche marks during the first 11 months last year. A Thai trade center in Frankfurt reported that during that period textile products became the largest export item to West Germany, accounting for 25 to 30 percent of the total Thai exports to that country. Other major exports which registered strong gains included tapioca pellets, gems and jewelry, and canned food. West Germany is also showing more interest in such Thai products as leather goods, artificial flowers, furniture, and household decoration items.

The center predicted that Thai exports to West Germany will reach more than 2,000 million Deutsche marks this year.

Vietnam

U.S. Meeting Ends With No 'Concrete Results'

BK2802085790 Jakarta KOMPAS in Indonesian 19 Feb 90 pp 1, 8

[Text] Nusa Dua, KOMPAS—The four-day informal and personal dialogue between U.S. and Vietnamese delegates ended on Saturday [17 February] without any concrete results. The reason was that the dialogue, which began on Wednesday at the Nusa Dua Hotel, was aimed only at exchanging views on various bilateral issues without any pretense of reaching an agreement.

In his short news briefing, Dick Clark, who initiated the dialogue, said the four-day meeting was informal and very personal in nature. All the delegates came to the

meeting in a personal capacity. Clark, a former Iowa senator and currently chairman of the Indochina Forum at the Washington-based Aspen Institute, a nongovernmental organization, said the talks were divided into three main themes. The first theme was the issue of exploring the possibility of cooperation between the two countries, including efforts to seek a solution to the Cambodian problem. The second theme was the reconstruction of Vietnam, especially its economy. Within this theme, humanitarian issues, especially the boat people problem and the Vietnamese people's standard of living, were discussed. The third theme was the changing international situation and its impact on Vietnam, including Soviet-Vietnam relations. The future of ASEAN-Vietnam relations in the Southeast Asian context was also discussed within this theme. A KOMPAS source said the two sides discussed the impacts of dramatic changes in the Soviet Union and Eastern Europe as well as the benefits of improved U.S.-Vietnamese relations to the security and stability of Southeast Asia.

Although the discussions were held in a cordial and friendly manner, they were by no means full of pleasantries. Differences of opinions and perceptions were in fact quite sharp on many issues. There were tough arguments, which one Vietnamese delegate likened to shifting a borderline. It was difficult to reach a conclusion. Don Emerson, a U.S. delegate, said that it was naturally hard to remove the differences of opinions. "However, what is important is not making these differences into excuses for creating a conflict," he said. He also said that there should not be high expectations from this meeting. "This is just the beginning. The move toward normalization of diplomatic relations takes time and realization of this goal is still far away." Nevertheless, the two sides admitted that the dialogue in Bali had been useful because in using this format they could learn from each other, in a direct manner, what differences exist. Clark said that this informal meeting will be continued. Perhaps this year, but the venue has not yet been decided.

On the other side, a Vietnamese delegate said that the dialogue would resume next year, either in Hawaii or Alaska. Another Vietnamese delegate, speaking in an evasive manner, said: "We do not know anything about the follow-up of this dialogue. Please ask the U.S. side since they sponsored this dialogue."

As the organizer of this dialogue, the Aspen Institute deliberately arranged the agenda so that the delegates of the two countries could mix freely. The delegates fully used this opportunity to get to know each other personally. This personal contact will probably serve as a preliminary step toward opening a new chapter of relations between the American and Vietnamese peoples.

One of the 17 U.S. delegates was Senator Charles Robb, a son-in-law of the late President Lyndon B. Johnson and a member of the Congressional Foreign Relations Committee. Mrs. Robb (daughter of the late President Johnson) was also one of the U.S. delegates. The Vietnamese delegates included Deputy Foreign Minister Nguyen Dy Nien, who led the 12-member delegation, and Le Mai, assistant to the foreign minister. Replying to a question on whether this dialogue would lead to concrete steps toward the normalization of diplomatic relations, a U.S. delegate said that this goal was still far away. "This is just a preliminary move," he said.

General Giap on East Europe, Vietnam's Future

PM27021202901 Paris LE MONDE in French 27 Feb 90 p 4

[Jean-Claude Pomonti dispatch: "It Is Their Business, Not Ours"]

[Text] Hanoi—"People always want to move too quickly.... It is by coming to grips with reality that you realize your mistakes.... We are not very good at forecasting. We saw the changes in Eastern Europe coming but not at this pace, this vertiginous speed." At 79, the man can express himself better than ever and has more of a taste for sententious statements. In his army general's uniform, Vo Nguyen Giap was quick to respond. He knows French so well that he can skillfully avoid embarrassing questions. Above all, he chose to take a broad view, mixing his current preoccupation—"the development strategy"—with his thoughts about Vietnam's history and his still very vivid memories of major events.

"I am closely following events in Eastern Europe, but it is their business, not ours. If you do things well, if you have a fair policy, everything goes well. If not, things do not work. External causes of events are not the essential thing," he retorted when asked about the effect of the recent upheavals in Eastern Europe on other socialist regimes. He again reaffirmed what he regards as a just cause: "National independence and socialism." "President Ho Chi Minh," he added, "said that when the people are not completely free and do not yet have happiness, independence is not complete." He concluded, "This is what we have not yet fully accomplished."

Although he is still vice-chairman of the council of ministers and a member of the Communist Party of Vietnam Central Committee, General Giap has not been a Politburo member since 1982. The victor of Dien Bien Phu, however, is still a public idol in Vietnam. He avoided questions on political pluralism or a multiparty system. "The future does not belong to anyone," he said. He added, "People always want to move too quickly." He made a few passing remarks such as, "We need an authentic democracy for the people to be completely free." You can draw your own conclusions.

For reasons which are easy to imagine, Gen. Giap thinks he lived through the "high point" of Vietnam's history, "the struggle for independence and unity" against the Japanese, the French, and finally the Americans. Therefore, anything is possible for today's "big challenge"—

how to catch up with the developed countries' average standard given the lag caused by colonization and decades of war. "I tend to be a dreamer," he said. "In the colonial days, before World War II, I dreamed of independence and unity. That has been achieved. I now have a new dream that we will make up our lag as quickly as possible. There is no reason why this dream cannot be realized." "We are progressing," he said, "but at a rate which is still inadequate." He clearly thinks that, if the line—"national independence and socialism," he repeated—is right, all challenges can be met.

Foreign Minister Speaks on Dumas Visit, Reform

PM2802083490 Paris L'HUMANITE in French 23 Feb 90 p 15

[Interview with Vietnamese Foreign Minister Nguyen Co Thach by Jean-Pierre Delahaye in Hanoi on 22 February]

[Text] Hanoi—[Delahaye] French Foreign Minister Roland Dumas arrives in Vietnam this Friday. Does this visit open up a new era of cooperation between France and Vietnam?

[Nguyen Co Thach] There are happy and unhappy traditional ties between France and Vietnam. Braving misfortune, the great French people gave the Vietnamese people a historic friendship, especially by ending the dirty war. That was the fruit of efforts made by the Communist Party of Vietnam [CPV] and the French Communist Party.

Following the 1954 Geneva agreements on Indochina, France had a policy favorable to independence and peace for the three countries of former Indochina. Minister Roland Dumas' visit to our country is very important. We are giving great consideration to France's expressed desire to expand its cooperation and friendship with Vietnam in all cultural, political, and economic spheres.

[Delahaye] Last year, a delegation from the National Council of French Employers came on a fact-finding visit to Hanoi. Did that visit produce practical results?

[Nguyen Co Thach] It is true that things are taking a rather long time. This is due to France's international situation and to some shortcomings on the Vietnamese side, notably because of the lack of infrastructures and, until recently, our monetary chaos. Improvement in the situation should enable us to overcome these problems.

[Delahaye] For several years, the CPV has been involved in a renewal process. In what particular context do you place this effort?

[Nguyen Co Thach] History is made by the people. Over the past 60 years, our Communist Party, by its sacrifices in a bitter struggle, has won the people's support and trust. It was the only party which led the Vietnamese revolution toward victory, while the other political parties abandoned their role, were defeated, or capitulated to the enemy. In the present crisis, the CPV is the only organization capable of leading the people in this struggle. Even foreign governments and international financial and monetary organizations are surprised at our successes, although they are modest.

[Delahaye] Are you encountering new problems?

[Nguyen Co Thach] It is true that between 1986 and 1988 the party lost its prestige among the people, but we think that the reforms introduced will start to restore confidence. Strengthening relations between the party and the people was a decisive factor for victory in the national liberation struggle. At present our party must consolidate and strengthen its relations to successfully complete the task of renewal.

[Delahaye] In what forms?

[Nguyen Co Thach] I will give an example: To prepare for our Central Committee's next meeting, we published a draft resolution in the press and this will be discussed throughout the country. This is a major new departure. In the future, we will do the same for any other important question which directly affects people's lives.

[Delahaye] Vietnam and China have just exchanged congratulations messages for the Tet (New Year) festival. Should this be seen as a speeding up of the return to normal relations between the two countries?

[Nguyen Co Thach] China and Vietnam need peace. The normalization of bilateral relations is in the interest of Vietnam and China and also of peace and stability in Asia. I hope that these positive signs which you have noticed will bode well, just as swallows herald the spring. [Thach ends]

Questioned on the recent meeting in Bangkok between Cambodian President Hun Sen and Norodom Sihanouk, leader of the armed opposition, Nguyen Co Thach said that he thinks it is better to negotiate than to fight. The Vietnamese minister said that the area of agreement found on the UN role and the formation of a Supreme Council was a step forward by the two sides. Nguyen Co Thach also remarked that the joint communique issued at the end of the meeting did not mention any participation in this council by the Khmer Rouge, who were responsible for the Cambodian genocide.

NHAN DAN Analyzes U.S. Defense Strategies

BK2502140790 Hanoi Domestic Service in Vietnamese 1430 GMT 23 Feb 90

[23 February NHAN DAN article: "Washington's Adjustment of Military Strategies"]

[Text] The Bush administration is feverishly promoting the long-term national defense program that Defense Secretary Dick Cheney presented on 29 January 1990 as well as the draft defense budget for fiscal year 1990-91 currently being considered by the U.S. Congress.

With regard to the long-term defense program, the Pentagon said that in the next five years it will deactivate five out of 28 regular and reserve army divisions, suspend the operation of 14 out of 157 strategic B-52 bombers, stop the production of F-15 jet fighters, reduce the number of heavy tonnage warships from four to two,

close down or limit the operations of 54 military bases in and outside the country, and effect a 10 percent reduction in military personnel up to the year 1995—the U.S. Defense Department now has three million military and civilian employees. The objective of these moves is to reduce defense spending by 180 billion dollars in the next five years. In fact, the moves are only part of Washington's adjustment of military strategies to achieve old objectives in a new situation marked by many important changes. Even though this adjustment of military strategies does not serve offensive purposes, it poses a potentially dangerous threat to the peace and security of world nations.

First of all, the extremely costly arms race will make it impossible for the United States to find enough money to modernize its equipment, technology, and economic structures. As a result, the economy of this country will be pushed back and overtaken in a number of important fields by its rivals—Japan and Western Europe. This is a serious challenge with which the United States must try to cope. Second, the nuclear arms race has reached the saturation point. The use of nuclear weapons is regarded as inconceivable. Now that the nuclear war strategy is deadlocked, what kinds of strategies and weapons should be used in order to realize Washington's strategic objectives? Third, one must mention the strong pressure of public opinion in the United States and the rest of world urging Washington to respond to the Soviet Union's constructive proposals for disarmament, particularly nuclear disarmament.

Washington's dilemma is how to cut military spending in order to have more investment capital for improving economic development structures and reduce the budget and trade deficits at the same time, and how to ease public demands for the United States to carry out disarmament while maintaining and strengthening its military strength to implement the deterrent strategy and the strategy of peace based on strength. In the mid-1980's, the Reagan administration tried to work out a new politico-military strategy to meet these requirements. This new doctrine was dubbed competitive strategy. Immediately after he entered the White House, President Bush quickly announced official recognition of the competitive strategy. He was pleased because this strategy was consistent with U.S. policy and capable of overcoming the difficulties and contradictions. He called it a delicious apple pie. The competitive strategy provides guiding principles for current U.S. military efforts and prepares the way for future war, and as a short-term objective, for the period covering the first decade of the 21st century.

In implementing its competitive strategy, Washington will never give up the nuclear weapons modernization plan but will maintain it to consolidate and strengthen its deterrent position as well as to improve both conventional and nuclear weapons, while continuing to modernize the three nuclear strategic weapons. The U.S. also advocates building a nonnuclear strength with a long-lasting deterrent power that can defeat all kinds of nonnuclear war. The competitive strategy doctrine is aimed at preparing for and carrying out a nonnuclear war using sophisticated industrial technology to exploit conventional weapons, which are different from nuclear weapons. With the application of new nuclear physics innovations, these lethal weapons can attain unbelievable results in terms of speed, distance, and destructive power—as has been described by founders of this modern strategy. These kinds of weapons are suitable for future battlefields which will be fought not only on land, in the seas, and in the air, but also in space. The Pentagon strategists advocate using smash weapons [vux khis tinh khoon] to realize the competitive strategy. These include lasers, cluster beams, and the B-2 Stealth strategic bombers. B-52 bombers equipped with new generation missiles are also considered facilities of the smash weapons era.

With the competitive strategy doctrine, the Washington administration nurtures hopes of gaining military superiority over the Soviet Union by relying on favorable conditions in the scientific-technological field, especially its sophisticated industrial technology. Implementing the competitive strategy doctrine, the United States, first, intends to combine this doctrine with the nuclear deterrent strategy in order to realize its policy of peace based on strength. Second, the competitive strategy doctrine is aimed at preparing for future wars which must rely on sophisticated technology—wars that the United States hopes to win. Third, this doctrine may be applied to low-intensity conflicts which may occur if the interests of the United States and the West are threatened. Fourth, the competitive strategy also serves Washington's SDI [Strategic Defense Initiative] programs by accelerating the study and installation of non-nuclear weapons in space. U.S. military analyst (Jack Firecus) said: With the competitive strategy, the United States can reduce its military force while effectively maintaining its power.

In order to combine the competitive strategy with the nuclear deterrent strategy, the Bush administration planned to spend a substantial portion of the 1990-91 federal budget on modernizing the three strategic weapons, providing the star wars program with an additional sum of $900 million, continuing to build the B-2 Stealth strategic bombers at a cost of $500 million each, and accelerating research to perfect smash weapons. The competitive strategy manifests the U.S. imperialists' bellicose, aggressive attitude. It is a dangerous tool of Washington aimed at opposing the Soviet Union and other socialist nations, threatening independent and developing countries, and maintaining Washington's military control over U.S. allies. The adjustment of U.S. strategies has prompted nations to continue heightening vigilance. Peace and international security can be achieved only through resolute and tireless struggles by nations for various goals of the era.

115 Refugees Voluntarily Return From Hong Kong

BK2802090290 Hanoi VNA in English 0725 GMT 28 Feb 90

[Text] Hanoi VNA Feb. 28—One hundred and fifteen more Vietnamese who had illegally fled the country to Hong Kong voluntarily returned here on Feb. 27.

So far, the Vietnamese Government has received 13 batches of returnees from Hong Kong totalling 1,340.

The reception was held at Noi Bai International Airport in the presence of Stephan Sinclair-Loitit, associate project officer of the Hong Kong-HCR [High Commissioner for Refugees], who noted this as a goodwill and humanitarian move on the part of Vietnam in settling the complicated refugee problem.

National Conference on Ideological Tasks Held

BK2702073990 Hanoi Domestic Service in Vietnamese 0500 GMT 27 Feb 90

[Text] From 20 to 24 February, in Ho Chi Minh City, the party Central Committee Department of Ideology and Culture held a national conference on the ideological task and the local press. Attending the conference were 220 or more delegates who are propaganda and training committee heads of party committees of provinces, cities and special zones; editors in chief of various newspapers; directors of radio and television stations countrywide; and some comrades in charge of the press and radio broadcasts at the central level and the various party central committee departments.

Comrade Tran Trong Tan, head of the CPV Central Committee Department of Ideology and Culture read a report on the ideological tasks achieved in 1989. Comrade Tran Hoan, minister of information, introduced the press law and provided guidance for its implementation. The conferees were glad to welcome Comrades Nguyen Van Linh, party general secretary, and Dao Duy Tung, party Central Committee Politburo members who came to listen the delegates debate and assess the ideological situation and discuss the guidelines and tasks for 1990. The conferees agreed that the achievements are merely preliminary and we should not be subjective and complacent since there still are many limitations to the ideological task. They discussed rather thoroughly the real ideological stature of people of various strata. It is clear that large segments of cadres, party members, and the people have trusted the party's line of renovation and have admitted that state management has improved.

Besides positive aspects, many delegates frankly raised questions worthy of concern, especially the question regarding the masses who have not felt at ease because achievements are not steady and usual difficulties have not been thoroughly overcome. The delegates' views reflect five issues to receive proper attention. They are to carry on renovation, achieve democracy—first of all within the party—and social justice; improve party organization and quality of party members; assess the situation of serious crises in East European countries; and study ideological guidelines and tasks for 1990. Prominent among the issues are democracy and social justice. Some delegates noted unsettled cases of injustice reported by the people witnessing corrupt cadres in positions of authority who have indulged in debauchery and have retaliated by punishing loyal people.

Comrade Dao Duy Tung also reported on developments in the situation and the causes of serious crises in some socialist countries and on the ideological tasks for 1990. The conferees pointed out measures to renovate the ideological task a step further and enhance its effectiveness. Comrade Nguyen Van Linh's address at this conference will be broadcast in the 1800 [1100 GMT] newcast this afternoon.

Nguyen Van Linh Speaks

BK2702134190 Hanoi Domestic Service in Vietnamese 1100 GMT 27 Feb 90

[Text] In Ho Chi Minh City from 20 to 24 February, the party Central Committee's Department of Ideology and Culture held a national conference on ideological work and the local press. Comrade General Secretary Nguyen Van Linh heard the delegates debate and assess the ideological situation and discuss guidelines and tasks for 1990. After listening to the views expressed by many delegates, Comrade Nguyen Van Linh addressed the conference on the world situation and the party-building task. He also expressed some opinions on press work.

Comrade Nguyen Van Linh began his address with a general review of positive changes in our country in the process of socioeconomic renovation in 1989, of which the most evident were the successful solution of grain and consumer goods shortages, effective checking and control of inflation, and stabilization of prices. However, these results were only initial, unsteady ones. Our people are still indignant that social justice is not guaranteed. Taking advantage of the state's lax management, a number of people engaged in illegal business practices have quickly enriched themselves. Even some cadres who hold certain positions and powers and control the state's funds and commodities have lived in luxury and decadence by means of their ill-gotten incomes at a time when retired cadres, the armed forces, and many families of war invalids and fallen soldiers are facing numerous difficulties in their daily life. It is right, as Uncle Ho put it, that we should only fear injustice, not shortages. It is our party's policy to carry out comprehensive, uniform renovation in both the economic and political fields. First of all, we should satisfactorily realize economic renovation without causing political instability and creating opportunities for bad elements to sneak in and cause trouble. At the same time, we should carry out political renovation gradually and steadily. The initial achievements recorded last year have affirmed the need to continue the renovation process, but there must be steady steps, forms, and ways of doing things that are consistent with our country's concrete conditions.

Reviewing the situation in East Europe, the comrade general secretary stressed: What can be affirmed right away is that the existence of the socialist system over the past decades has been an outstanding historical achievement. It is because of the socialist system, which came into being with the Russian October Revolution, that the face of the world has been changed. If one fails to see this point, one can easily become disoriented in light of current major upheavals in some socialist countries. Analyzing the reasons for this crisis, the comrade general secretary said: Although each country has its own characteristics, the common reasons, generally speaking, were prolonged maintenance of an utterly backward bureaucratic, subsidy-based management mechanism, voluntarism, acting against the law of social development, violations of the principle of democratic centralism, despotism, arbitrariness, and the cult of personality, which have seriously hampered social development. This is to say nothing of the imperialists' schemes and tricks.

Touching on the tasks for 1990, the comrade general secretary emphasized: Ideological work must contribute to promoting the cause of renovation. We must continue to broaden democracy, care for the people's livelihood, ceaselessly enhance the party's capabilities, and perfect its leadership. At the same time, we must renovate operational methods and respect and develop the managerial role of the state and elective organs at all levels. We must also bring into full play the role of the mass organizations. The comrade general secretary cited some cases wherein many cadres and party members, owing to the lack of self-improvement efforts, have committed serious mistakes such as bureaucratism, alienation from the masses, opportunism, corruption, bullying the people, and other negative practices.

In order to restore confidence and strengthen relations between the party and the masses, specific attention must be paid to building the party and the administration into clean, steadfast ones with a determination to purge from our ranks degenerate and deviant elements. Comrade General Secretary Nguyen Van Linh, on behalf of the Political Bureau, hailed various mass news media organs from the central down to local levels as well as propaganda and training sections at various echelons for having exerted great efforts to promote the mass movement to actively support various renovative policies of the party and state, thus contributing to making 1989 a success. The comrade general secretary warned various local party committee echelons, including provincial and city party committees' propaganda and training sections, against loose control over book publication and against failure to provide close leadership to local newspapers. As a result, a number of newspapers have taken erroneous views. As an example, the comrade cited a Sunday magazine published under the name of the organ of the Vietnam Communist Party organization of province "T" which, with a picture of a nude girl on its cover, deals with many murder cases. Such unhealthy phenomena have been found in many other localities as well.

The comrade general secretary pointed out the democratic rights in information work: It is certain that democracy, especially democracy among the people, must continue to be further broadened. In this process, a divergence in opinions is commonplace. What is important is that we should not allow this divergence to lead to division. Once a collective decision is made, the minority must submit themselves to the majority and the lower echelon to the higher echelon. The minority's opinion must be respected even if it is not consistent with that of the majority. However, opinion should not be aired indiscriminately. Democracy is accompanied by centralism, law, discipline, and a sense of responsibility as party members or citizens. Democracy must have leadership, and party leadership must be carried out using a democratic method on the basis of upholding democracy. We must be democratic toward the people. However, we must severely punish those violating the law, seeking to undermine revolutionary gains, and disturbing public order and security and social safety.

Every party cadre and member, whatever their position, must live and work according to the law just as other ordinary citizens, without exception. It is necessary to struggle against negative phenomena in conjunction with efforts to commend new factors and introduce progress models in the process of renovating the management mechanism and executing the new economic policy. As for the negative cases already brought to light, we must quickly examine them, accurately arrive at a conclusion, and deal with them in a fair and timely manner. It is necessary to renovate ideological and information work, ensuring that it has copious, diverse, and more attractive contents. Propaganda must have direction. Propaganda on the international situation must contribute to enhancing mutual understanding and cooperation between our people and our fraternal countries and to strengthening friendships in the world while making everyone correctly aware of the nature of imperialism.

Nguyen Van Linh Exposes Anti-Socialist Plots

BK2602100590 Hanoi Domestic Service in Vietnamese 0015 GMT 25 Feb 90

[Duong Quang Minh commentary: "Anti-socialist plots and acts of hostile forces"]

[Text] During a meeting with old revolutionary comrades and retired high-ranking cadres in Hanoi on the occasion of our party's 60th founding anniversary, Comrade General Secretary Nguyen Van Linh dealt with the present complex world situation and stressed: We must heighten our vigilance against the plots and acts of sabotage by imperialist forces who on the one hand continue to intervene militarily in regional conflicts by attacking revolutionary forces and national liberation, independence, and sovereign defense movements in Central America, the Middle East, Africa, and Asia. On the other, they wage economic wars and carry out cultural and ideological penetration to sabotage the world socialist system. It is noteworthy that they have

taken the most advantage of difficulties in these countries and helped opposition forces to incite the masses to conduct internal subversion. How vital for us is the general secretary's instruction at this juncture! None of us can deny that imperialist, colonialist, and reactionary forces have continued their plots and acts against revolutionary and progressive forces. Whenever we relax our vigilance or encounter difficulties, they quickly take the opportunity to intervene or worse, to wage direct aggression.

Late in December 1989, U.S. President Bush ordered hundreds of thousands of U.S. soldiers to fire on Panama's defensive forces and to invade this country immediately after he prayed for peace on Christmas' eve. Six years ago, President Reagan had U.S. troops invade Grenada when the leaders of this country had some disagreement among themselves. Also in Central America and the Caribbean, the U.S. administration has continued to supply arms to reactionary forces, and to oppose the policy of peaceful negotiation and national accord in Nicaragua, Honduras, and El Salvador, thus causing regional instability and insecurity.

In the Middle East and Africa, imperialism is trying to save South Africa's apartheid and in Israel, the country's administration is used as an assault force to continuously oppose the Palestine people's fundamental and national rights. It has caused a prolonged bloody civil war in Lebanon, opposed progressive Arab states, and has several times maneuvered warships and aircraft to attack and destroy Libya. In South Asia and Southeast Asia, it has breathed life into Afghan and Cambodian reactionaries to oppose the interests of regional countries. While acclaiming peace and disarmament, the imperialist forces are wielding bombs and ammunition to threaten the security of all nations. Even in his New Year's State of The Union Address, President Bush firmly and solemnly stated that the United States treasures the star wars program in order to maintain the advantage in strategic weapons. In this year's fiscal budget, the Bush administration allocated a trillion or so U.S. dollars for the military. The Pentagon is still maintaining the heavy network of 360 military bases worldwide with half a million or more troops.

The largest U.S. military presence overseas is in the FRG with more than 180 infantry and air bases, followed by South Korea with 40 bases, Japan with 31 bases, Great Britain with 18 bases, and the Philippines with 11 bases. In addition to this, the United States has hundreds of warships with about 55,000 soldiers operating in all oceans. Washington's military bases and war facilities are always a threat to the peace, security, independence, and sovereignty of many countries. It is clear that imperialist and colonialist forces are intervening more deeply and broadly than ever before in the internal affairs of socialist countries. They take advantage of economic difficulties in these countries by handing out the bait of capital and technological aid in order to force these countries to accept political conditions advantageous to them. They eulogize the policy of political pluralism and campaign to neutralize the role of Communist parties to pave the way for anti-Communist and anti-socialist forces to operate openly. More cruelly, they are seeking ways to separate the revolutionary army and security forces, which for several decades have scored many armed exploits against aggression and fascism to defend the country and the people, in order to weaken our tool for protecting socialism.

Along with these maneuvers, they have also built a huge network of mass information to fabricate anti-socialist stories day and night, inciting the masses to overthrow socialist states from the inside. Realities have clearly shown that imperialism has never relinquished its aim of eliminating socialism and revolutionary movements. It has only adjusted its strategy and methods from time to time.

Together with fraternal socialist countries, we are carrying out renovation. Our sixth party congress policy is to strenuously combine national strength with the force of the era and to participate in international cooperation and labor division to help advance the country. Evidently, our cooperation with all countries and foreign companies must be based on mutual benefits without any binding political conditions. Knowing how to open our door and how to defend our house is our present correct and necessary policy and act.

Dialogue for Cooperation in Asia Opens 21 Feb

BK2102160590 Hanoi VNA in English 1516 GMT 21 Feb 90

[Text] Hanoi VNA Feb. 21—An international dialogue for cooperation and development in Asia sponsored by the Afro-Asian People's Solidarity Organization [AAPSO] was opened here this afternoon.

Among those present were Nouri Abdelrazzak, secretary general; Mrs. Nguyen Thi Binh, vice president; and Chitta Biswas, deputy secretary general of AAPSO.

The gathering was also attended by delegations of the AAPSO, Afghanistan, Cambodia, India, Indonesia, the Democratic People's Republic of Korea, Laos, Malaysia, Nepal, the Philippines, Sri Lanka, Thailand, Bangladesh, the Soviet Union and Vietnam.

After the welcome speech by Mrs. Nguyen Thi Binh, Nouri Abdelrazzak delivered a speech saying among other things:

During the past few years, developments in Southeast Asia have raised hopes that a new era is being opened up in this region: an era of peace, stability and cooperation. Dialogue has been promoted between the Indochinese countries and the member countries of the ASEAN. To some extent, cooperation has taken place in jointly striving to resolve the Cambodian problem as well as local disputes such as on seabed boundaries.... Bilateral cooperation in trade, agriculture, science and technology has also started. The famous proposal formulated by the Thai prime minister "to turn Indochina from a battlefield into a market place" has been widely welcomed. From the recent realities in Southeast Asia

one can see the close linkage and immediate interaction between a right direction to solve a regional conflict and the promotion of regional cooperation.

He expressed his belief that the dialogue "will contribute not only to the promotion of peace, stability and friendship in this part of the world, but also to the formulation of an alternative development strategy for developing countries in general".

On behalf on the host delegation, To Hoai, vice president of the Vietnam Committee for Afro-Asian People's Solidarity, delivered a speech. He said:

"After the withdrawal of Vietnamese army volunteers from Cambodia in September 1989 regional confrontation is gradually pushed back, and peace and friendship and cooperation between ASEAN and Indochinese countries are becoming the principal content of international relations in this region.

"For cooperation and development in Southeast Asia and Asia, we think that beside efforts deployed by countries in the region, the assistance of the United Nations, international organizations, governmental and nongovernmental, including AAPSO, plays an important role, especially in the building of mutual understanding and confidence".

The dialogue will last till Feb. 23.

Vo Nguyen Giap Speaks

BK2502033690 Hanoi VNA in English 1546 GMT 23 Feb 90

[Text] Hanoi VNA Feb. 23—Vice-chairman of the Council of Ministers Vo Nguyen Giap this morning addressed the "International Dialogue for Cooperation and Development in Asia" currently held here by the Afro-Asian Peoples' Solidarity Organization.

Vice-chairman Vo Nguyen Giap extended regards from party General Secretary Nguyen Van Linh and Chairman of the Council of Ministers Do Muoi to the participants. He hailed the dialogue as a fine prospect for cooperation and development in the region. He briefed them on initial results in various fields of the country's on-going renovation process, and affirmed that that process aims at carrying out in the most effective way Vietnam's unchangeable objective, namely national independence and socialism.

Vice-chairman Vo Nguyen Giap expressed desires to strengthen comprehensive cooperation with other countries, especially South-South cooperation and regional cooperation for peace, prosperity and happiness of all nations.

Dialogue Closes 23 Feb

BK2402164490 Hanoi VNA in English 1605 GMT 23 Feb 90

[Text] Hanoi VNA Feb. 23—The "International Dialogue for Cooperation and Development in Asia" sponsored by the Afro-Asian People's Solidarity Organization (AAPSO) and the Vietnam Committee for Afro-Asian People's Solidarity closed its work here this afternoon after a three days' sitting.

More than 30 participants from 15 delegations presented their reports centering on the three main points: The new situation in the world and in Asia, the new and favourable conditions for the development of multilateral cooperation in the region, experiences of each country in opportunities and possibilities for cooperation and development and AAPSO's role for this purpose.

The participants unanimously adopted a communique which says that the participants congratulated the initial steps of mutual cooperation taken by the Indochinese and ASEAN countries.

Soviet Vice President Ibragimov Continues Visit

The coomunique notes:

"Although the final result has yet to be achieved for a political solution to the Cambodian problem, the main obstacle to cooperation between the ASEAN countries and the Indochinese countries no longer exists thanks to the complete withdrawal of Vietnamese troops from Cambodia on September 26, 1989. It was hoped that the informal meeting on Cambodia (IMC) to be held in Indonesia and the Hun Sen-Sihanouk meeting in Thailand prior to the IMC would accelerate the process of reaching such a political solution".

The communique adds that the Hanoi dialogue constitutes "a new step aimed at speeding up cooperation for development in this vast continent of the world".

Vo Chi Cong, Do Muoi Greet Namibian Leaders

BK2202153990 Hanoi VNA in English 1513 GMT 22 Feb 90

[Text] Hanoi VNA Feb. 22—State Council President Vo Chi Cong has extended his warmest congratulations to Sam Nujoma on his election as the first president of the Republic of Independent Namibia.

In his message, the Vietnamese president wished the Namibian people under the leadership of President Sam Nujoma great achievements in consolidating their national independence and building Namibia into a prosperous country, thus contributing positively to the common struggle of the people in Africa and the world for national independence, peace and development.

The same day, Chairman of the Council of Ministers Do Muoi also sent his congratulations to Hage Geingoh on his appointment as prime minister of the Republic of Independent Namibia.

The Vietnamese leader wished the friendship and cooperation between the governments and peoples of Vietnam and Namibia further development in the interests of peace, national independence and development.